



U.S. Department
of Transportation
**Federal Aviation
Administration**

Office of the Aeronautical Center
Central Region Counsel

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January 22, 2020

Frank L. Polk
McAfee & Taft, P.C.
10th Floor, Two Leadership Square
211 North Robinson
Oklahoma City, OK 73102

Dear Counsel:

Re: Global Aircraft Trading System Transitional Trust Documents

Background:

On January 13, 2020, we received your Amended Request for Opinion regarding the Global Aircraft Trading System (GATS) Transitional Trust Documents. Joining your request were Crowe & Dunlevy, Attorneys at Law, Daugherty Fowler Peregrin Haught & Jenson, Attorneys at Law, and Gilchrist Aviation Law.

Documents submitted for review included:

- 1) Form of GATS Trust Instrument ("Trust Instrument"), between the person who is or will be the beneficiary (the "Beneficiary"), and the person who is or will be the trustee (the "Trustee"), with the following documents attached to and expressly incorporated into the terms of the Trust Instrument:
 - a. Appendix A - GATS Trust Instrument Master Terms ("GATS Master Terms"); and
 - b. Appendix B - FAA Related Terms ("GATS FAA Terms"), which are applicable any period during which any Aircraft Equipment¹ is registered with the civil aircraft registry maintained by the FAA.
- 2) Form of GATS Security Instrument ("BISA"), between the Beneficiary, as grantor, the secured party (the "Secured Party"), and the Trustee, with the GATS Security Instrument Master Terms ("BISA Master Terms") attached thereto, wherein the Beneficiary grants a security interest in the Beneficiary's interest in the Trust Instrument (the BISA and the BISA Master Terms are collectively referred to as the "Transitional BISA"); and

¹ The GATS Trust Instrument defines "Aircraft Equipment" as (a) the aircraft equipment from time to time identified in Schedule 3 (Aircraft Equipment); and (b) any other aircraft equipment comprising an aircraft, aircraft engine or helicopter legally owned by the Trustee as trustee of the GATS Trust from time to time.

- 3) Form of GATS Transfer Instrument (the “Transitional Transfer Instrument”) between the Beneficiary, as the person who is selling or transferring all of its rights, title, and interest in and to the beneficial interest of the trust, the person who is buying or having transferred to it the beneficial interest (the “New Beneficiary”), and the Trustee.

Issue:

You seek our opinion as to whether the GATS Transitional Trust Documents identified above support aircraft registration with the FAA Aircraft Registry under 49 U.S.C. §§ 44102-44103 pursuant to 14 C.F.R. § 47.7(c).

Discussion:

Our review and analysis of the documents described above (collectively, the “Transitional Trust Documents”), leads us to conclude and it is our opinion that, if the Beneficiary is a “citizen of the United States” within the meaning of 49 U.S.C. § 40102(a)(15), the applicant for registration may file the duly executed Transitional Trust Documents, together with a Trustee affidavit duly executed by the Trustee that complies with 14 C.F.R. § 47.7(c)(2)(ii), to support aircraft registration in the name of the Trustee in compliance with 49 U.S.C. § 44103. It is our opinion that the Transitional Trust Documents satisfy the requirements of 14 C.F.R. § 47.7, with regard to the registration of an aircraft in the name of the Trustee when each beneficiary under the trust, including each person whose security interest in the aircraft is incorporated in the trust, is either a U.S. citizen or resident alien.

In the event the Beneficiary is not a “citizen of the United States” within the meaning of 49 U.S.C. § 40102(a)(15), the applicant for aircraft registration may file the duly executed Transitional Trust Documents for aircraft registration, together with an affidavit duly executed by the Trustee that complies with 14 C.F.R. § 47.7(c)(2)(iii), to support aircraft registration in the name of the Trustee in compliance with 49 U.S.C. § 44103.

Paragraph 3.1(b) of the Trust Instrument and paragraph 5.1(a) of the GATS Master Terms provide the Trustee will take title to and register the Aircraft Equipment contained in the Trust Estate. Schedule 3 to the Trust Instrument shall describe the Aircraft Equipment contained in the Trust Estate. Paragraph 6.4 of the Trust Instrument provides the trust documents shall be governed by and construed in accordance with the laws of the state of Utah. Appendix B (GATS FAA Terms) to the Trust Instrument shall apply at all times during any FAA Registration Period.²

Regarding the GATS FAA Terms, we note the following:

- i. Paragraph 3.1 provides that in case of conflict, the provision of the FAA Related Terms are paramount and superior to any other terms and conditions in the GATS Master Terms, the GATS Trust Instrument, any other Trust Document, any Related

² “FAA Registration Period” is defined in the GATS Master Terms as any period during which any Aircraft Equipment is registered with the civil aircraft registry maintained by the FAA.

- Document, or in any other document or documents to which the Trustee or the Beneficiary is a party, including under any Lease Agreement.
- ii. Paragraph 6.2(a) provides the Trustee will effect the registration of any Aircraft Equipment with the FAA in the name of the Trustee.
 - iii. Paragraphs 6.2(b) and 6.2(c) direct the Trustee to make available specific information required by the FAA's Policy Clarification³, within 2 and 5 days respectively, to the FAA upon request.
 - iv. Paragraph 7 provides the Trustee may only be removed for specific cause.
 - v. Paragraph 8.2 complies with the regulatory requirements of 14 C.F.R. § 47.7(c)(3) by prohibiting persons who are neither U.S. citizens nor resident aliens from having more than 25 percent of the aggregate power to direct or remove the Trustee.
 - vi. Paragraph 8.3 provides neither the Beneficiary nor any Secured Party will have any rights or powers to direct, influence or control the Trustee in the performance of the Trustee's duties under the GATS Trust Instrument, including matters involving the ownership and operation of the FAA Registered Aircraft Equipment⁴.

Based on the analysis provided above, we conclude and it is our opinion the Transitional Trust Documents comply with the FAA's Policy Clarification. Further, we conclude and it is our opinion the Transitional Trust Documents satisfy the requirements of 14 C.F.R. § 47.7, with regard to the registration of an aircraft in the name of the Trustee when a beneficiary under the trust, including any person whose security interest in the aircraft is incorporated in the trust, is not a U.S. citizen or resident alien.

It is our opinion the Transitional Transfer Instrument, if and when executed, is a document legally affecting a relationship under the trust as contemplated by 14 C.F.R. § 47.7(c)(2)(i). If and when the Transitional Transfer Instrument is executed, it must be filed with the FAA, together with an affidavit that satisfies the requirements of 14 C.F.R. § 47.7(c)(2). The Transitional Transfer Instrument appears to be in due form for filing with the FAA to evidence an assignment of beneficial interest in the Transitional Trust Instrument from the Beneficiary to the New Beneficiary.

Lastly, it is our opinion the execution and filing with the FAA of the Transitional Transfer Instrument and/or Transitional BISA⁵ has no adverse impact on the eligibility of the aircraft for continued United States Registration in the name of the Trustee.

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³ *Notice of Policy Clarification for the Registration of Aircraft to U.S. Citizen Trustees in Situations Involving Non-U.S. Citizen Trustors and Beneficiaries*, 78 Fed. Reg. 36412, June 18, 2013 (the "FAA's Policy Clarification").

⁴ "FAA Registered Aircraft Equipment" is defined in the GATS FAA Terms as the Aircraft Equipment registered in the name of the Trustee with the civil aircraft registry maintained by the FAA, including any engines and parts and Aircraft Equipment Documents forming part of such Aircraft Equipment (whether or not installed thereon).

⁵ Paragraph 5.7 of the FAA Related Terms details the filing requirements under the GATS Trust regarding GATS Security Instruments (BISA).

Conclusion:

Accordingly, we conclude and it is our opinion that the unaltered form of the above-described and attached Transitional documents submitted with your January 13, 2020 Amended Request for Opinion appear to satisfy the respective requirements of 14 C.F.R. §§ 47.7(c)(2)(i), 47.7(c)(2)(iii), 47.7(c)(3), and the provisions of the FAA's 2013 Policy Clarification. Further, we conclude and it is our opinion that, provided there is sufficient evidence of aircraft ownership, submission of these Transitional documents, when duly executed, will support aircraft registration under 49 U.S.C. § 44103 in the name of the Trustee.

Sincerely,

A. Lester Haizlip
Aeronautical Center Central Region Counsel
Federal Aviation Administration

ENCLOSURE:

Amended Request for Opinion regarding Global Aircraft Trading System Trust
registration and attached Transitional Trust Document Forms



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January 13, 2020

VIA EMAIL: 9-AMC-007-Aeronautical-Center-Counsel@faa.gov

Aeronautical Center Counsel
Federal Aviation Administration
6400 South MacArthur Boulevard
Oklahoma City, OK 73125

Re: Amended Request for Opinion
Global Aircraft Trading System
Trustee Registration and GATS Transitional Trust Documents
(Our File No. 12195/949)

Dear Counsel:

This Amended Request for Opinion regarding Global Aircraft Trading System, Trustee registration and Transitional Trust Documents (this “**Revised ACC Request**”) is submitted to you in connection with the course of correspondence and discussion which began in 2019 among the Aviation Working Group (“**AWG**”), Crowe & Dunlevy, Daugherty Fowler Peregrin Haught & Jenson, Gilchrist Aviation Law, and McAfee & Taft (collectively, the “**OKC Firms**”), and the Office of the Chief Counsel, through the Office Aeronautical Central Regional Counsel c/o A.L. Haizlip, Esq. (the “**ACC**”).

The correspondence and discussion included the following:

(a) Request for Opinion Regarding Global Aircraft Trading System Trustee Registration and Transitional Trust Documents dated June 19, 2019 (the “**Original ACC Request**”), submitted by the OKC Firms to the ACC with regard to the Global Aircraft Trading System (“**GATS**”), and in particular submitting the forms of Transitional Trust Instrument, Transitional Transfer Instrument, and Transitional Beneficial Interest Security Instrument (as defined and contained in the Original ACC Request, here collectively the “**GATS June Transitional Trust Documents**”);

(b) Informational Letter dated July 12, 2019 (the “**Informational Letter**”), submitted by the OKC Firms to the ACC, intended to provide additional background information related to the GATS platform and the GATS June Transitional Trust Documents;

(c) Letter dated September 6, 2019 (the “**ACC Letter**”), from the ACC to the OKC Firms, providing comments, input, and questions with regard to the GATS June Transitional Trust Documents;

(d) Letter dated September 23, 2019 (the “**AWG Letter**”), from the OKC Firms to the ACC, containing responsive comments to the ACC Letter, as well as proposed changes to the GATS Trust Instrument Master Terms (as defined therein), intended to reflect the changes requested by the ACC in the ACC Letter;

(e) Meeting on September 24, 2019 (the “**ACC Meeting**”) at the office of the ACC in Oklahoma City, among the AWG, the OKC Firms and the ACC;

(f) Memorandum dated October 14, 2019 (the “**47.7 Memo**”) by McAfee & Taft for the AWG, and joined by the OKC Firms, with regard to an analysis of language contained in 14 C.F.R. § 47.7(c) dated October 14, 2019; and

(g) Limited additional telephonic and email correspondence between the OKC Firms, the AWG, and the ACC, between the date of the 47.7 Memo and the date of this Revised ACC Request.

As noted in the prior correspondence referenced above, the purpose of GATS and the GATS online platform (the “**GATS platform**”) is to create economic efficiencies by simplifying and streamlining the process of trading aircraft by using owner trust structures, permitting industry participants to access information regarding owner trusts, and reducing the burden on airlines, lessors and financiers when it comes to aircraft purchases, leases, and financing. The GATS platform will be a fully electronic system, with e-signatures, e-delivery of documents and use of a secure e-ledger to record and track transactions. GATS will be administered by the AWG (or an entity closely related to and controlled by the AWG) with assistance from Fexco, an IT service provider based in Ireland who is and will continue to be responsible for building and maintaining the GATS platform. GATS will be a voluntary system open to all industry players and trustees who satisfy certain minimal requirements. GATS will use uniform documents (e.g., trust instruments, trust assignments, security agreements, etc.) which will be housed in an electronic database that can be accessed by its users. It is anticipated that the use of uniform documents and other aspects of GATS will have a significant positive impact on the aircraft industry by reducing the time and expense inherent in negotiating and drafting documents in an aviation transaction. As noted in the prior correspondence with ACC, the GATS platform has been announced but is not yet open for business. Nevertheless, several entities in the aviation industry have expressed an interest in immediately using the GATS documentation in paper-based format so they can benefit from the contemplated efficiencies of GATS. As such, the AWG has generated a set of documents that can be used by interested parties in advance of the GATS platform becoming operational. The documents submitted with the Original ACC Request and described more fully below (some of which have been updated) are often referred to as the “transitional documents,” which will be used during this interim period of time until the GATS platform is fully functional.

In light of the above, we contemplate seeking an opinion now based on the GATS Transitional Documents as defined below and at the appropriate time we will endeavor to obtain a second opinion that covers the final GATS platform documents.

In connection with the above and to avoid any confusion in connection with relevant documentation, we have enclosed the following documents for your review:

(a) Form of GATS Trust Instrument (“**Trust Instrument**”), between the person who is or will be the beneficiary (the “**Beneficiary**”), and the person who is or will be the trustee (“**Owner Trustee**”), with the following documents attached to and expressly incorporated into the terms of the Trust Instrument:

(i) Revised GATS Trust Instrument Master Terms (“**GATS Master Terms**”), including a copy that is marked to show changes to the GATS Master Terms submitted with the Original ACC Request; and

(ii) Revised FAA Related Terms (“**GATS FAA Terms**”), including a copy that is marked to show changes to the GATS FAA Terms submitted with the Original ACC Request, which are applicable only for the FAA Registration Period¹v, and which GATS FAA Terms supplement and modify the terms of the Trust Instrument and GATS Master Terms.

(b) Form of GATS Security Instrument (“**BISA**”), between the Beneficiary, as grantor, the secured party (the “**Secured Party**”), and the Owner Trustee, with the revised form of GATS Security Instrument Master Terms (“**BISA Master Terms**”) attached thereto, including a copy that is marked to show changes to the BISA Master Terms submitted with the Original ACC Request, wherein the Beneficiary grants a security interest in the Beneficiary’s interest in the Trust Instrument (the BISA and the BISA Master Terms are collectively, the “**Transitional BISA**”); and

(c) Form of GATS Transfer Instrument (the “**Transitional Transfer Instrument**”) between the Beneficiary, as the person who is selling or transferring all of its right, title and interest in and to the beneficial interest of the trust, the person who is buying or having transferred to it the beneficial interest (the “**New Beneficiary**”), and the Owner Trustee.

(The Trust Instrument, GATS Master Terms, GATS FAA Terms, and Transitional BISA (if one exists), shall be referred to collectively herein as the “**Transitional Trust Documents**”).

The parties are submitting the documents identified above in support of their request for an opinion as discussed herein to the effect that the Transitional Trust Instrument, when filed with the FAA will support registration of aircraft in the name of a GATS trustee pursuant to 49 U.S.C. Section 40101, et seq., as amended (the “**Act**”), the applicable Federal Aviation Regulations and Notice of Policy Clarification for the Registration of Aircraft to U.S. Citizen Trustees in Situations Involving Non-U.S. Citizen Trustors and Beneficiaries, 78 Fed. Reg. 36412 (June 18, 2013 (the “**FAA Trust Policy**”).

The Transitional Trust Instrument is drafted in a way that it can be used by a U.S. citizen or non-U.S. citizen as Beneficiary. Specifically, if the Beneficiary is a non-U.S. citizen, Sections 7.3(a) and Sections 8.3(a) – (f) of the GATS FAA Terms are applicable and restrict the

¹ “FAA Registration Period” is defined in the GATS Master Terms as “any period during which any Aircraft Equipment is registered with the civil aircraft registry maintained by the FAA.”

rights of the Beneficiary as required by applicable regulations, opinions of the ACC and the practices and procedures of the FAA.

Consistent with that, we refer you to:

(a) Section 7 of the GATS Master Terms and Section 11 of the GATS FAA Terms, which deal with the succession of Owner Trustees;

(b) Paragraph 7.3 of the GATS FAA Terms, which provides that the Owner Trustee may be removed for cause only;

(c) Section 8 of the GATS FAA Terms, which contains standard control limitation language; and

(d) Section 6 of the GATS FAA Terms, whereby the parties agree to cooperate with the FAA to provide information timely, forward airworthiness directives, notify the FAA of trustee's resignation and agreement to permit inspection of the subject aircraft and records.

To the extent the Beneficiary is a "citizen of the United States", the parties are required to submit an affidavit by the Owner Trustee, in the form required by 14 C.F.R. § 47.7(c)(2)(i) (the "**Citizen Affidavit**"). If the Beneficiary is not a "citizen of the United States" as defined by the Act, the Owner Trustee is required to file an affidavit in the form required by 14 C.F.R. § 47.7(c)(2)(iii) ("**Non-Citizen Affidavit**"). References herein to "**Affidavit**" shall be intended to refer to either the Citizen Affidavit or Non-Citizen Affidavit, as applicable under the circumstances.

Finally, we note the ACC's concern with regard to the Transitional BISA and whether it is a "document legally affecting a relationship under the trust" as contemplated by 14 CFR § 47.7(c)(2)(i). As set forth in the Original ACC Request, we asked for an opinion to address whether the Transitional BISA must be submitted to the ACC and/or FAA pursuant to 14 CFR § 47.7(c)(2)(i). We respectfully suggest that this matter requires further analysis and therefore withdraw our original request for an opinion on the issue (requests for opinion numbers 6 and 7 in the Original ACC Request). In that regard, Section 5.7 of the GATS FAA Terms contains language which obligates the Beneficiary to submit the Transitional BISA to the ACC and the FAA (i) as part of the trust documentation filed with the FAA to support registration of an aircraft in the name of a trustee or, (iii) promptly after the parties enter into a Transitional BISA at any time after the commencement and before the termination of the FAA Registration Period.²

Based on your review of the revised forms of Transitional Trust Instrument and Transitional Transfer Instrument and the discussion above, we request your opinion on the following:

1. If the Beneficiary is a "citizen of the United States", as defined in the Act, the Transitional Trust Documents, together with a Citizen Affidavit are in due form for filing

² Any references herein to the Transitional BISA (except as to the form of the Transitional BISA) and filing the same with the FAA (i) are relevant only if it has been executed and is effective and (ii) include submission of the Transitional BISA to the ACC and filing the same with the FAA for placement in the FAA's Trust/Ancillary files.

with the FAA and satisfy the requirements of 14 C.F.R. § 47.7, with regard to the registration of an aircraft in the name of the Owner Trustee;

2. If the Beneficiary is not a “citizen of the United States” as defined in the Act, the Transitional Trust Documents, together with a Non-Citizen Affidavit, are in due form for filing with the FAA and satisfy the requirements of 14 C.F.R. § 47.7 with regard to the registration of an aircraft in the name of the Owner Trustee;

3. Aircraft subject to the Transitional Trust Documents are eligible for registration in the name of the Owner Trustee under Sections 44102 and 44103 of the Act upon the filing with the FAA of duly executed counterparts of the Transitional Trust Documents and an appropriate Affidavit (i.e., either a Citizen Affidavit or Non-Citizen Affidavit, as applicable), together with the appropriate title and registration instruments necessary to effect such registration;

4. The Transitional Transfer Instrument, if and when executed, is (i) a “document legally affecting a relationship under the trust” as contemplated by 14 CFR§47.7(c)(2)(i), (ii) is required to be filed with the FAA (along with a new Affidavit), and (iii) is in due form for filing with the FAA to evidence an assignment of the beneficial interest in the Transitional Trust Instrument from the Beneficiary to the New Beneficiary; and

5. The execution and filing with the FAA of the Transitional Transfer Instrument has no adverse impact on the eligibility of the Aircraft for continued United States Registration in the name of the Owner Trustee.

6. The execution and filing with the FAA of a Transitional BISA has no adverse impact on the eligibility of the Aircraft for continued United States Registration in the name of the Owner Trustee.³

Due to the nature of this request and the abbreviated timeline in which AWG plans to make the Transitional Trust Documents available for use to practitioners, we request your opinion at your earliest convenience. As noted above, this opinion request is joined by all of the OKC Firms as evidenced by their signatures below.

Thank you for your assistance with this matter. Please call Emma L. Land at 405-270-6083 or the undersigned at 405-476-6182, if you need additional information.

Yours very truly,
McAFEE & TAFT



Frank L. Polk

³ Any opinions to be expressed in the ACC opinion with regard to the filing of the Transitional BISA with the FAA shall be preliminary in nature, forward looking in effectiveness, and applicable only with regard to a Transitional BISA which has been executed and effective as part of the GATS documentation described herein.

The undersigned join in the above submission and request regarding an advisory legal opinion as of the 13th day of January, 2020

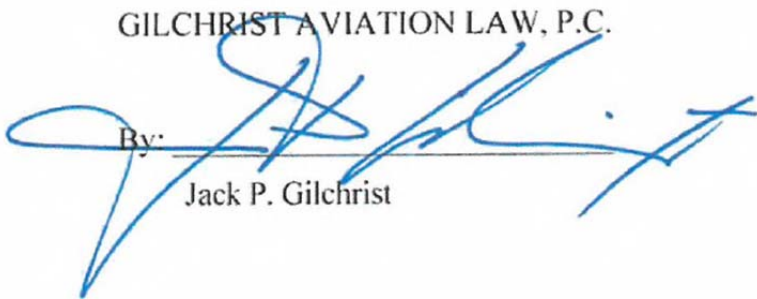
CROWE & DUNLEVY

By: 
J. Robert Kalsu

DAUGHERTY FOWLER PERGRIN HAUGHT & JENSON

By: _____

GILCHRIST AVIATION LAW, P.C.

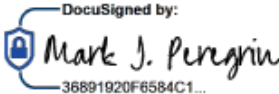
By: 
Jack P. Gilchrist

The undersigned join in the above submission and request regarding an advisory legal opinion as of the 13th day of January, 2020

CROWE & DUNLEVY

By: _____

DAUGHERTY FOWLER PERGRIN HAUGHT & JENSON

By:  _____
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GILCHRIST AVIATION LAW

By: _____



GATS Trust Instrument

US TRUST BRANCH
Utah Common Law Trust

(TRANSITIONAL FORM)

Trust Branch:	United States (UT)
Trust UIN:	[####] ¹
Name of Trust:	GATS Trust [####]
Date:	[dd-mmm-yyyy]

* * *

¹ GATS Trust numbers will be pre-assigned during the transitional period. Please go to <http://awg.aero/projects/gats/> for further details.

THIS GATS TRUST INSTRUMENT is dated as of [date] (this **Instrument**)

BETWEEN

- (1) the TRUSTEE from time to time, in its capacity as trustee of the GATS Trust and, where expressly stated, in its individual capacity as the TRUST COMPANY; and
- (2) the BENEFICIARY from time to time.

IT IS AGREED AS FOLLOWS:

1. DEFINITIONS

Unless otherwise defined in this Instrument, capitalized terms used in this Instrument have the meaning given to them in the Master Terms and the FAA Related Terms. In this Instrument, unless the contrary intention appears:

Aircraft Equipment means:

- (a) the aircraft equipment from time to time identified in Schedule 3 (*Aircraft Equipment*); and
- (b) any other aircraft equipment comprising an aircraft, aircraft engine or helicopter legally owned by the Trustee as trustee of the GATS Trust from time to time,

including, in each case, each part thereof (whether or not installed on such aircraft equipment) and any and all Aircraft Equipment Documents relating to such aircraft equipment.

Beneficiary means the Original Beneficiary for so long as such person has not assigned and transferred all of the Beneficial Interest, or the person from time to time to whom all of the Beneficial Interest has been assigned and transferred pursuant to a Transfer Instrument.

FAA Related Terms means the terms set out in Appendix B (*FAA Related Terms*) to this Instrument.

GATS Trust means the trust created pursuant to this Instrument or the Previous Trust Instrument, as applicable, with the name and UIN as identified in Schedule 1 (*Description of GATS Trust*).

Master Terms means the Trust Instrument Master Terms attached as Appendix A (*Master Terms*) to this Instrument.

Original Beneficiary means the person identified as the 'Original Beneficiary' in Schedule 2 (*Parties and Notice Details*).

Original Trustee means the person identified as the 'Original Trustee' in Schedule 2 (*Parties and Notice Details*).

Perpetuity Expiry Date means the date falling 100 years less one day after the date on which the GATS Trust is or was established.

Previous Trust Instrument means the trust instrument, if any, between the Beneficiary and the Trustee, as amended, supplemented, assigned and transferred from time to time prior to the effectiveness of this Instrument as more particularly described in Schedule 4 (*Description of Trust Documents*).

Trust Estate means all estate, right, title and interest of the Trustee in and to:

- (a) the Aircraft Equipment;
- (b) all insurance proceeds and requisition proceeds for or in respect of the Aircraft Equipment;
- (c) all of the rights, title and interest of the Trustee (i) in and to the Related Documents, and (ii) in and to any aircraft equipment or any other property conferred in favor of the Trustee pursuant to any Related Document;
- (d) all amounts of rent, security deposits, maintenance reserves, use fees, proceeds of sale, lease or other disposition of the Aircraft Equipment, guarantee payments, fees, premiums, indemnity payments, damage, or other payments or proceeds of any kind for or in respect of the Aircraft Equipment, any Related Document payable to, or received by or for the account of the Trustee;
- (e) any cash held by the Trustee, any other income and gains, and all other amounts payable to, or received by or for the account of the Trustee; and
- (f) any proceeds of the foregoing,

but excluding all Excluded Property.

Trustee means the Original Trustee for so long as such person has not ceased to be the Trustee in accordance with section 11 (*Successor Trustees*) of the Master Terms, or the person from time to time who has become the trustee of the GATS Trust after the date of this Instrument pursuant to and in accordance with section 11 (*Successor Trustees*).

of the Master Terms identified as the 'Trustee' in Schedule 2 (*Parties and Notice Details*), in each case, not in its individual capacity but solely as trustee of the GATS Trust.

UIN means the unique identification number assigned to the GATS Trust by the Global Aircraft Trading System.

2. **INCORPORATION OF MASTER TERMS AND FAA RELATED TERMS**

The Master Terms and the FAA Related Terms are incorporated into and apply to this Instrument in their entirety and without amendment or modification.

3. **DECLARATION OF TRUST**

3.1 Declaration

(a) The Beneficiary vests in the Trustee in trust the sum of \$1.00 (which the Trustee acknowledges it has received) and all of the Trust Estate from time to time, and the Trustee declares that it will hold the Trust Estate in trust for the absolute use and benefit of the Beneficiary in accordance with and subject to all of the terms and conditions of this Instrument and the other Trust Documents.

(b) The Beneficiary intends that the Trustee shall hold the Trust Estate on trust for the Beneficiary.

3.2 Trust Name

The name and UIN of the GATS Trust shall be the name and UIN as identified in Schedule 1 (*Description of GATS Trust*).

3.3 Administration of GATS Trust

The GATS Trust will be administered in the State of Utah.

3.4 Ownership of the Trust Estate

The Trustee has no beneficial, equitable or other interest in the Trust Estate other than bare legal ownership. Subject to the foregoing, the Beneficiary is and shall be deemed to be the owner of all of the Trust Estate.

3.5 Previous Trust Instrument (if applicable)

(a) The remainder of this Section 3.3 applies if and only if Schedule 4 (*Description of Trust Documents*) indicates that there is a Previous Trust Instrument.

(b) This Instrument amends and restates the Previous Trust Instrument in its entirety.

4. **TRUSTEE**

4.1 Appointment and Acceptance of Appointment

The Trust Company accepts the GATS Trust and its appointment as Trustee.

4.2 Duties and Obligations

(a) The Trust Company agrees to perform its duties and obligations as Trustee but only upon the terms of the Trust Documents and only to the extent such duties and obligations are expressly set forth in the Trust Documents. No implied duties, covenants or obligations shall be read into this Instrument against the Trustee.

(b) Whether or not expressly so provided in this Instrument, every provision of any Trust Document relating to the conduct or affecting the liability of, or affording protection to, the Trustee shall be subject to the provisions of this Section 4 and sections 5 and 7 of the Master Terms.

5. **[INTENTIONALLY OMITTED]**

6. **MISCELLANEOUS**

6.1 Transition onto GATS Platform

Each of the parties to this Instrument intends to amend, restate and re-execute this Instrument in electronic or digital form on the GATS Platform and register it on the GATS e-Ledger after it becomes possible to do so.

6.2 [Intentionally Omitted]

6.3 Counterparts

This Instrument may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and all of which counterparts, taken together, shall constitute one and the same instrument.

6.4 Governing Law

THIS INSTRUMENT AND EACH OTHER TRUST DOCUMENT SHALL IN ALL RESPECTS BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF UTAH, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES THAT WOULD RESULT IN THE APPLICATION OF THE LAW OF ANOTHER JURISDICTION. THIS INSTRUMENT IS BEING DELIVERED IN THE STATE OF UTAH.

6.5 Waiver of Jury Trial

EACH PARTY TO THIS INSTRUMENT WAIVES, TO THE EXTENT PERMITTED BY APPLICABLE LAW, TRIAL BY JURY IN ANY LITIGATION IN ANY COURT WITH RESPECT TO, IN CONNECTION WITH, OR ARISING

OUT OF THIS INSTRUMENT OR ANY OTHER TRUST DOCUMENT OR THE VALIDITY, PROTECTION, INTERPRETATION, COLLECTION OR ENFORCEMENT OF THIS INSTRUMENT OR SUCH TRUST DOCUMENT. EACH PARTY TO THIS INSTRUMENT AGREES THAT THIS SECTION 6.5 IS A SPECIFIC AND MATERIAL ASPECT OF EACH

TRUST DOCUMENT AND ACKNOWLEDGES THAT THE OTHER PARTIES WOULD NOT HAVE ENTERED INTO SUCH TRUST DOCUMENT AND CONSUMMATED THE TRANSACTIONS CONTEMPLATED BY SUCH TRUST DOCUMENT IF THIS SECTION 6.5 WERE NOT PART OF THIS INSTRUMENT AND EACH OTHER TRUST DOCUMENT.

* * *

IN WITNESS WHEREOF, this Instrument been duly executed by the parties hereto on the day and year first above written.

[²]

[ORIGINAL TRUSTEE], as Trustee and, where expressly stated, in its individual capacity as the TRUST COMPANY

By: _____

Name: _____

Title: _____

[ORIGINAL BENEFICIARY], as Beneficiary

By: _____

Name: _____

Title: _____

² NOTE: to meet FAA filing requirements, the person signing on behalf of each entity must be either a director, manager or officer.

SCHEDULE 1
Description of GATS Trust

Trust Branch	UIN	Name	Date of Establishment
United States (UT)	[####]	GATS Trust [####]	[dd-mm-yyyy]

SCHEDULE 2
Parties and Notice Details

1.	Trustee	
	Name:	<i>[to be populated manually]</i>
	Jurisdiction of formation, incorporation or organization:	<i>[to be populated manually]</i>
	Entity type:	<i>[to be populated manually]</i>
	Address:	<i>[to be populated manually]</i>
	Email:	<i>[to be populated manually]</i>
2.	Beneficiary	
	Name:	<i>[to be populated manually]</i>
	Jurisdiction of formation, incorporation or organization:	<i>[to be populated manually]</i>
	Entity type:	<i>[to be populated manually]</i>
	Address:	<i>[to be populated manually]</i>
	Email:	<i>[to be populated manually]</i>

SCHEDULE 3
Aircraft Equipment

	Type [*]	Manufacturer	Model	Nationality and Registration Mark [**]	Serial Number (Aircraft Equipment)	Serial Numbers (Associated Engines) [***]
1.	[AA] [AE] [HL]	<i>[to be populated manually]</i>	<i>[to be populated manually]</i>	<i>[to be populated manually]</i>	<i>[to be populated manually]</i>	N/A OR <i>[to be populated manually]</i>

[*] NOTE: ‘**AA**’ means an aircraft (including any aircraft engines associated with it), ‘**AE**’ means an aircraft engine not associated with an airframe; and ‘**HL**’ means a helicopter.

[**] NOTE: Not applicable where the aircraft equipment type is an aircraft engine (AE). Where the aircraft equipment type is an aircraft (AA) or a helicopter (HL) but is otherwise unregistered on any national aircraft register, this should be noted here as ‘UNREGISTERED’.

[***] NOTE: Not applicable where the aircraft equipment type is an aircraft engine (AE), as this would be entered into the previous column. Where the aircraft equipment type is an aircraft (AA) or a helicopter (HL), the serial number of each engine associated with such aircraft equipment, separated by a semi-colon, should be listed here.

[OR]

None.^[3]

³ NOTE: GATS is permissive of ‘empty’ trusts whose corpus is nominally only \$1.00, should it be necessary, for example, to establish the trust prior to transferring the aircraft equipment into the trust.

SCHEDULE 4⁴
Description of Previous Trust Documents

	Document	Date	Parties
1.	<i>[Description of Original Document]</i>	<i>[to be populated manually]</i>	<i>[to be populated manually]</i>
[...]			
#.	[Amendment] OR [Assignment of Beneficial Interest] OR [Resignation/Removal of Trustee and Appointment of New Trustee] OR [Other]	<i>[to be populated manually]</i>	<i>[to be populated manually]</i>

[OR]

NONE

⁴ NOTE: this Part will only be populated for existing trusts migrated into GATS. Otherwise it will state 'NONE'.

APPENDIX A
Master Terms

[attach Master Terms]

APPENDIX B
FAA Related Terms

[attach FAA Related Terms]



GATS Trust Instrument Master Terms
US TRUST BRANCH

(TRANSITIONAL FORM)

* * *

APPENDIX A Master Terms

* * *

1. [INTENTIONALLY OMITTED]

2. DEFINITIONS AND INTERPRETATION

2.1 Definitions

Unless otherwise defined in the terms of this Appendix A (these **Master Terms**), capitalized terms used in these Master Terms have the meaning given to them in the GATS Trust Instrument. In these Master Terms:

Aircraft Equipment Documents means all technical data, manuals supplied by any manufacturer of the Aircraft Equipment (or any other manufacturer or supplier), logs, records, computer data media and other materials and documents kept by the operator of the Aircraft Equipment or required to be kept with respect to any Aircraft Equipment whether in compliance with any Applicable Law, any Lease Agreement or any requirement of any applicable Aviation Authority.

Aircraft Equipment Related Activity means, with respect to any Aircraft Equipment, the manufacture, purchase, acceptance, non-acceptance, rejection, ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of such Aircraft Equipment (including latent and other defects, whether or not discoverable, and any claim for patent, trademark or copyright infringement).

Applicable Law means all laws, rules, statutes, ordinances, regulations and orders of any Governmental Authority applicable to the Beneficiary, the Trustee, the Trust Company, the GATS Trust, any Aircraft Equipment or any other property forming part of the Trust Estate.

Aviation Authority means, in relation to any Aircraft Equipment, any governmental agency which has control or supervision of civil aviation in the state in which such Aircraft Equipment is registered (including, during any FAA Registration Period, the FAA) or in the state which has jurisdiction over the registration, airworthiness or operation of, or other matters relating to such Aircraft Equipment.

Beneficial Interest means all of the interest in and to the Trust Estate, other than legal title.

Business Day means a day, other than a Saturday or Sunday, on which banks are open in New York City, New York, and the Trust Company's principal place of business for the transaction of business of the nature required by the GATS Trust Instrument.

Cape Town Convention means, collectively, the official English language texts of the Convention on International Interests in Mobile Equipment, and the Protocol to such Convention on Matters Specific to Aircraft Equipment.

Excluded Property means:

- (a) liability insurance proceeds payable to or for the benefit of an additional or named insured for any Indemnified Person; and
- (b) any fees, expenses or requisition, indemnity or other payments or indemnities of any Indemnified Person.

FAA means the United States Federal Aviation Administration.

FAA Registration Period means any period during which any Aircraft Equipment is registered with the civil aircraft registry maintained by the FAA.

Finance Documents has the meaning given to such term in the GATS Security Instrument, if any.

GATS Forms means the GATS forms of trust, transfer and security related documentation for the US Trust Branch substantially in the forms marked 'transitional form' and available for download on the AWG website at <http://awg.aero/projects/gats/>.

GATS Secured Party means, in relation to the GATS Security Instrument, if any, the person in whose favor a Security Interest has been granted pursuant to such GATS Security Instrument.

GATS Security Instrument means the Security Instrument, if any, in the applicable GATS Form and identified by the terms thereof as the 'GATS Security Instrument', but only for so long as the Security Interest granted thereunder has not been released and discharged.

GATS Trust Instrument means the GATS trust instrument to which these Master Terms are attached as Appendix A.

Global Aircraft Trading System or **GATS** means the Global Aircraft Trading System, as more particularly described on the AWG website at <http://awg.aero/projects/gats/>.

Governing Law means the laws of the jurisdiction by which the GATS Trust Instrument is expressed to be governed.

Governmental Authority means:

- (a) any national government, political subdivision thereof or local jurisdiction therein;
- (b) any instrumentality, board commission, court or agency of any of the foregoing, however constituted; and
- (c) any association, organization or institution of which any of the foregoing is a member or to whose jurisdiction any thereof is subject or in whose activities any of the above is a participant.

Indemnified Person means the Trust Company and its successors, permitted assigns, legal representatives, agents and employees.

International Registry means the international registry established pursuant to the Cape Town Convention.

Lease means any lease (including a wet-lease), bailment or transfer of possession, use or operational control of any Aircraft Equipment by one person to another person.

Lease Agreement means any agreement entered into by a Lessee for the Lease of any Aircraft Equipment and, during any FAA Registration Period, each other document identified in the FAA Related Terms as a 'Lease Agreement'.

Lessee means, at any time, any person who, at such time, is leasing (including wet-leasing) or has possession or operational control of any Aircraft Equipment from:

- (a) the Trustee; or
- (b) another person having a leasing interest in such Aircraft Equipment who, at such time, is leasing such Aircraft Equipment directly or indirectly from the Trustee.

Loss means any and all liabilities, obligations, losses, damages, penalties, taxes, claims, actions, suits, costs, expenses or disbursements (including reasonable ongoing fees of the Trustee and reasonable legal fees and expenses) of any kind and nature whatsoever.

New Beneficiary means in relation to an assignment and transfer by the Beneficiary of the Beneficial Interest, the person to whom, immediately prior to such assignment and transfer, all (or, to the extent permitted under the GATS Trust Instrument, a portion) of the Beneficial Interest is to be assigned and transferred.

New Trust Company means the person acting as New Trustee, not in its capacity as trustee but in its individual capacity and for its own account.

New Trustee means, in relation to the resignation or removal of the Trustee as trustee of the GATS Trust, the person to be appointed as its successor as trustee of the GATS Trust.

Obligations means:

- (a) in respect of the Beneficiary, all of its obligations and duties under the GATS Trust Instrument; and
- (b) in respect of the Trustee or the Trust Company, all of its obligations and duties under the GATS Trust Instrument and the GATS Security Instrument.

Off-Lease Period means any period during which no Aircraft Equipment is subject to a Lease.

Partial Beneficial Interest means such portion of the Beneficial Interest solely allocable to:

- (a) a specifically identified part of any Aircraft Equipment; and
- (b) all other property forming part of the Trust Estate allocable to such Aircraft Equipment, including: (i) all insurance proceeds and requisition proceeds (ii) all rent paid or payable to the Trustee under any Lease Agreement, and (iii) all other rights of the

Trustee under any Lease Agreement and each other Related Document, in each case allocable to such Aircraft Equipment.

Regulatory Laws means all Applicable Laws from time to time relating to sanctions, money laundering (including know your customer requirements), corruption, bribery, sanctions or terrorism, including those promulgated by the U.S. Department of Treasury's Office of Foreign Assets Control and the Financial Crimes Enforcement Network.

Related Documents means each Lease Agreement to which the Trustee is a party, each Finance Document to which the Trustee is a party, any bills of sale relating to any Aircraft Equipment executed by or given in favor of the Trustee, any document executed by the Trustee pursuant to or relating to the Lease Agreement or Finance Document, any other document executed by the Trustee in connection with the Aircraft Equipment or which the Trustee has executed pursuant to any instruction given in accordance with Paragraph 5.1(a), but excluding any and all Trust Documents and, during any FAA Registration Period, each other document identified in the FAA Related Terms as a 'Related Document'.

Relevant Courts means any state court or state administrative tribunal sitting in the jurisdiction of the Governing Law, and any United States District Court or federal administrative tribunal sitting in such jurisdiction, and any appellate court of any such court.

Required Notice means, in respect of any notice given pursuant to Paragraph 11 during any FAA Registration Period, 60 days, and during any other period, 30 days.

Residual Beneficial Interest means, at any time following the assignment and transfer of one or more Partial Beneficial Interests to a New Beneficiary, all of the portion of the Beneficial Interest that is at such time retained by the Beneficiary which it has not assigned and transferred to such New Beneficiary.

Rights means:

- (a) in respect of the Beneficiary, all of its right, title and interest in and to the GATS Trust Instrument (but excluding all of its right, title and interest in and to the Beneficial Interest); and
- (b) in respect of the Trustee or the Trust Company, all of its right, title and interest in and to the GATS Trust Instrument and the GATS Security Instrument, including all of its trust powers under the GATS Trust Instrument and under the Governing Law and any other applicable law (but excluding, in the case of the Trustee, all of its right, title and interest in and to the Trustee Interest).

Secured Party means, in relation to the grant of a Security Interest by the Beneficiary in all of its right, title and interest in and to the Beneficial Interest, the person in whose favor such Security Interest is granted or to whom the benefit of such Security Interest is subsequently assigned and transferred.

Security Instrument means any instrument executed and delivered by the Beneficiary and a Secured Party pursuant to which, inter alia, the Beneficiary grants a Security Interest in all or a portion of the Beneficial Interest in favor of such Secured Party.

Security Instrument Master Terms means the master terms attached as appendix A to the GATS Security Instrument.

Security Interest means any mortgage, charge, pledge, security assignment, lien, other security interest, or any lease or other encumbrance, however created or arising.

Servicer means, in relation to any Aircraft Equipment, any Lease or any Lease Agreement, the person from time to time appointed as servicer of such Aircraft Equipment, such Lease or such Lease Agreement, but only to the extent notified in writing from time to time by the Beneficiary to the Trustee.

Termination Date means the earlier of:

- (a) the date on which the termination of the GATS Trust is expressed to take effect as identified in any instrument entered into between the Trustee and the Beneficiary effecting the termination of the GATS Trust;
- (b) the date on which the Trustee assigns and transfers to any other person (other than to a New Trustee) all of its right, title and interest in and to all of the Trust Estate in accordance with Paragraph 10.7; or
- (c) the Perpetuity Expiry Date.

Transfer Instrument means any instrument executed and delivered by:

- (a) the Beneficiary, the New Beneficiary, the Trustee and the Trust Company pursuant to which the Beneficiary assigns and transfers (i) all or a portion of the Beneficial Interest and (ii) its Rights and Obligations to the New Beneficiary, and which is in the applicable GATS Form; or
- (b) the Trustee, the New Trustee, the Trust Company, the New Trust Company and the Beneficiary pursuant to which (i) the Trustee resigns or is removed as trustee, (ii) the New Trustee is appointed as trustee, (iii) the Trustee assigns and transfers all of its Trustee Interest (if any) and its Rights and Obligations to the New Trustee, and (iv) the Trust Company assigns and transfers its Rights and Obligations to the New Trust Company.

Trust Company means the person acting as Trustee, not in its capacity as trustee but in its individual capacity and for its own account.

Trust Company Service Agreement means the service agreement, including any fee agreement relating thereto and any standard terms of service incorporated by reference therein, entered into between the Trust Company or the service provider who has agreed to manage trustee functions on its behalf, and the Beneficiary or an affiliate of the Beneficiary.

Trust Documents means:

- (a) the GATS Trust Instrument;
- (b) each Transfer Instrument, if any;
- (c) during any FAA Registration Period, each other document identified in the FAA Related Terms as a 'Trust Document'; and

- (d) any other document which the Beneficiary, the Trustee, the Trust Company and the GATS Secured Party (if any) agree in writing is a 'Trust Document'.

Trustee Interest means, to the extent that the Trustee holds legal title to the Trust Estate, all of the Trustee's right, title and interest in and to the Trust Estate.

UCC means the Uniform Commercial Code as in effect from time to time in the jurisdiction of the Governing Law, and the Uniform Commercial Code of any other applicable jurisdiction that now or hereafter substantially includes the 1994 revisions to Article 8 thereof as adopted by the American Law Institute and the National Conference of Commissioners on Uniform State Laws and approved by the American Bar Association on February 14, 1995.

US Trust Branch means the GATS trust branch corresponding to the United States.

2.2 Interpretation

- (a) Unless a contrary intention appears, a reference in the GATS Trust Instrument or any other Trust Document to:
 - (i) the **Trustee**, the **Beneficiary** or the **Trust Company** shall be construed (A) to be a reference to it in its capacity as such and not in any other capacity, and (B) so as to include its successors in title, permitted assigns and permitted transferees;
 - (ii) a **person** includes any individual, firm, company, corporation, association, trust, joint venture consortium, partnership or other entity (whether or not having separate legal personality) and (A) during any FAA Registration Period, excludes a government, state, political subdivision or agency of a state, or (B) during any other period, includes a government, state, political subdivision or agency of a state;
 - (iii) **assets** or **property** includes present and future assets or properties, revenues and rights of every description;
 - (iv) a **law** or **regulation** includes any law, constitution, treaty, statute, decree, regulation, order (including an executive order or decree), rule or directive of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organization, or any judicial or administrative interpretation or application of, or decision under, any of the foregoing;
 - (v) any provision of any law or regulation includes any such provision as amended, re-enacted or superseded by any other law or regulation;
 - (vi) an **Article**, a **Clause**, a **Section**, a **Paragraph** an **Annex**, an **Appendix**, an **Exhibit** or a **Schedule** in the GATS Trust Instrument or in any other Trust Document is a reference to an article, clause, section or paragraph of, or an annex, appendix, exhibit or a schedule to the GATS Trust Instrument or such other Trust Document, as applicable;

- (vii) [intentionally omitted];
- (viii) any agreement, instrument or document, or any annex, schedule or exhibit to any of the foregoing, or any other part of the foregoing, includes that agreement, instrument or document, or annex, schedule or exhibit, or part, respectively, as amended, modified or supplemented from time to time in accordance with its terms, and any agreement, instrument or document amending, restating, replacing or substituting that agreement, instrument or document, or annex, schedule or exhibit, or part, respectively;
- (ix) words importing the plural include the singular and words importing the singular include the plural;
- (x) **in writing** or **written** includes by electronic communication, unless otherwise stated;
- (xi) the date of the GATS Trust Instrument or any Trust Document or Finance Document which is in the applicable GATS Form is the date indicated on its front cover; and
- (xii) references to **legal title** to the Trust Estate in the 'Trustee Interest' and 'Beneficial Interest' definitions in these Master Terms shall be construed: (A) during any FAA Registration Period, in accordance with the meaning given to such term in the Transportation Code (as defined in the FAA Related Terms) and the FAA Regulations (as defined in the FAA Related Terms), and (B) during any period other than an FAA Registration Period, to mean bare legal title to the Trust Estate.
- (b) The words 'including' and terms and phrases of similar import mean, in each case, 'including, without limitation'.
- (c) Headings used in any Trust Document are for convenience only and shall not in any way affect the construction of, or be taken into consideration in interpreting, such Trust Document.
- (d) Each schedule and appendix to each Trust Document is incorporated in, and shall be deemed to be a part of, such Trust Document.
- (e) The GATS Trust Instrument includes and shall be deemed to include these Master Terms and the FAA Related Terms.

3. TRUST ESTATE AND ADMINISTRATION

- 3.1 The Trustee will administer the GATS Trust and maintain the existence of the GATS Trust as a separate trust. The Trustee shall mark its books and records and take such other action as is necessary to segregate property forming part of the Trust Estate, assets and liabilities of the GATS Trust, from the property, assets and liabilities of the Trust Company, of any other trust of which the Trust Company is the trustee, and of any other person, and will refrain from commingling such property, assets and liabilities with any such other property, assets and liabilities.

- 3.2 The Trustee agrees that it will deal with the Aircraft Equipment or any other property forming part of the Trust Estate in accordance with and as expressly provided the Trust Documents, and in no event will the Trustee permit any party to possess or use any of the Aircraft Equipment except as required or permitted by the terms of any Related Documents or as required by Applicable Law, or as otherwise instructed to do so pursuant to Paragraph 5.1.

4. RECEIPT AND DISTRIBUTION OF INCOME AND PROCEEDS

4.1 Payments from Trust Estate Only

- (a) All payments to be made by the Trustee under any Trust Document shall be made only from the income from and proceeds of the Trust Estate to the extent that the Trustee shall have received sufficient income or proceeds from the Trust Estate to make such payments, and the Trustee shall have no obligation to distribute to the Beneficiary or any other person any amounts to be paid to Trustee until such amounts are collected by Trustee.
- (b) The Beneficiary agrees that it will look solely to the income from and proceeds of the Trust Estate to the extent available for distribution to the Beneficiary as provided in any Trust Document.
- (c) Except as provided in Paragraph 7.2, the Beneficiary agrees that the Trust Company is neither personally liable to the Beneficiary for any amounts payable nor subject to any other liability under the GATS Trust Instrument.

4.2 Distributions

- (a) Any payment received by the Trustee pursuant to the GATS Trust Instrument and any other amount received by it as part of the Trust Estate and for the application or distribution of which no provision is made in the GATS Trust Instrument shall be distributed promptly upon receipt by the Trustee in the following order of priority:
 - (i) *first*, to pay or reimburse the Trustee and the Trust Company for any expenses in respect of which it is entitled to be reimbursed pursuant to the GATS Trust Instrument or any other Trust Document; and
 - (ii) *second*, the balance, if any, shall be paid (A) in accordance with the provisions of the GATS Security Instrument, if any, or otherwise (B) to the Beneficiary or at the written direction of the Beneficiary (which direction, in each case, may be given in any Related Document to which the Trustee is a party).
- (b) Subject always to the prior satisfaction of all applicable Regulatory Laws, the Trustee shall make or cause to be made all distributions pursuant to the GATS Trust Instrument:
 - (i) by wire transfer in immediately available funds on the day received (or on the next succeeding Business Day if the funds to be so distributed shall not have been received by the Trustee by 12:00 noon, New York City time; and

- (ii) to such account and in such manner as required by the terms of the GATS Security Instrument or, if there is no GATS Security Instrument, to such account as the Beneficiary shall from time to time direct in writing (which direction, in each case, may be given in any Related Document to which the Trustee is a party).

4.3 Status of monies received

All monies (if any) received by the Trustee under or pursuant to any provision of any Trust Document (other than monies that are or are the proceeds of Excluded Property) shall constitute property that is part of the Trust Estate and trust funds for the purpose for which they are paid or held, and shall be segregated from any other monies and deposited by the Trustee under such conditions as may be prescribed or permitted by law for trust funds. The Trustee shall not be liable for any interest on any such monies, except as may be expressly agreed with the Beneficiary in any Trust Document.

5. TRUSTEE

5.1 Action upon Instructions; Authorization

- (a) Subject to section 4 of the GATS Trust Instrument, the remainder of this Paragraph 5 and Paragraph 7, upon the written instructions at any time and from time to time of the Beneficiary, the Servicer on its behalf or, to the extent permitted by the GATS Security Instrument, if any, the GATS Secured Party, the Trustee will and covenants and agrees to take such of the following actions (where applicable, on behalf of the GATS Trust), to the extent not inconsistent with the terms of any Trust Document or any Related Document, as may be specified in such instructions:

- (i) execute and deliver: (A) any and all Trust Documents; (B) any and all Related Documents (in the form delivered by the Beneficiary to the Trustee), (C) each other document that Trustee is required to deliver pursuant to any Trust Document or any Related Document (in the form delivered by the Beneficiary to the Trustee); (C) any documents necessary to effect and/or maintain the registration of the Aircraft Equipment with the applicable Aviation Authority and any other applicable Governmental Authority; and (D) all such other instruments, documents or certificates and take all such other actions in accordance with the direction of the Beneficiary, in each case as the Beneficiary may deem necessary or advisable in connection with the transactions contemplated by the Trust Documents or the Related Documents (including in connection with the Cape Town Convention);
- (ii) cause the Aircraft Equipment to be delivered to, or redelivered from, the Lessee under any Lease Agreement from time to time in effect and to which the Trustee is a party as lessor;
- (iii) give such notice or direction or exercise such right, remedy or power under the GATS Trust

Instrument, any other Trust Document, any Related Document or in respect of all or any part of the Trust Estate, or take such other action, as shall be specified in such instructions;

- (iv) take such action to preserve or protect the Trust Estate (including the discharge of Security Interests) as may be specified in such instructions;
- (v) approve as satisfactory to it all matters required by the terms of any Trust Document or any Related Document to be satisfactory to the Trustee, it being understood that without written instructions of the Beneficiary, the Trustee shall not approve any such matter as satisfactory to it;
- (vi) take title to any Aircraft Equipment;
- (vii) cooperate with the Beneficiary to effect the registration of any Aircraft Equipment with any other Aviation Authority and any other applicable Governmental Authority by duly executing and filing or causing to be filed with such Aviation Authority any document or instrument required effect such registration;
- (viii) to the extent permitted under the terms of the GATS Security Instrument, if any, convey any or all of the Trustee's right, title and interest in and to any Aircraft Equipment or any other property forming part of the Trust Estate for such amount, on such terms and to such purchaser or purchasers (or transferee or transferees) as shall be designated in such instructions, or retain, lease or otherwise dispose of, or from time to time take such other action with respect to, any Aircraft Equipment or any such other property on such terms as shall be designated in such instructions;
- (ix) to establish Trustee as a 'transacting user entity' (as provided in the Cape Town Convention) on the International Registry, and register, consent to registration of or discharge interests on the International Registry as required pursuant to the Related Documents; and
- (x) take or refrain from taking such other action or actions as may be specified in such instructions.
- (b) The Beneficiary authorizes the Trustee to:
 - (i) subject to the terms of the Trust Documents, exercise its rights and perform its duties under the Related Documents and the Trust Documents; and
 - (ii) execute and deliver any document (including any document pursuant to which the Trustee acts as a guarantor or surety for the obligations of the Beneficiary), or take or refrain from taking any action, as directed by the Beneficiary pursuant to and in accordance with this Paragraph 5.1.

- (c) The Trustee shall have no power or authority to, and the Trustee agrees that it will not, manage, control, use, sell, dispose of or otherwise deal with any Aircraft Equipment or any other property forming part of the Trust Estate except:

- (i) as expressly required by the terms of any of the Related Documents; or
- (ii) as expressly provided in written instructions pursuant to and in accordance with this Paragraph 5.1.

5.2 No Other Duties

The Trustee shall have no duties or obligations except those expressly set forth in any Trust Document and those duties provided for by Applicable Law. Without prejudice to the generality of the foregoing, the Trustee shall not have any duty to:

- (a) obtain any insurance on any of the Aircraft Equipment or maintain any such insurance;
- (b) subject to the Trust Company's obligations under Paragraph 6.2(d), see to the payment or discharge of any tax, assessment or other charge levied by a Governmental Authority or any lien or encumbrance of any kind owing with respect to, assessed or levied against, any of the Aircraft Equipment;
- (c) confirm or verify any notices or reports other than to furnish the Beneficiary with a copy of each notice or report furnished to the Trustee with respect to any of the Aircraft Equipment;
- (d) inspect any of the Aircraft Equipment at any time; or
- (e) except as set forth in any Trust Document, be responsible for any recording or the maintenance of any such recording or filing with any Aviation Authority or other government authority.

5.3 Limitation on Duties

- (a) The Trustee shall not have any obligation by virtue of the GATS Trust Instrument to expend or risk any of its own funds, or to take any action which could, in the reasonable opinion of the Trustee, result in any cost or expense being incurred by the Trustee, if it shall have reasonable grounds for believing that repayment of such funds is not reasonably assured to it.
- (b) The Trustee shall not be required to execute any Trust Document or take any action or refrain from taking any action under any Trust Document unless it shall have been indemnified by the Beneficiary (or any other person acting as guarantor of its obligations under such Trust Document or providing an indemnity in favor of the Trustee in respect of such Trust Document) in a manner and form satisfactory to the Trustee against any liability, cost or expense (including reasonable attorneys' fees) which may be incurred in connection therewith.
- (c) No provision of any Trust Document shall be deemed to impose any duty on the Trustee to take any action if the Trustee shall have been advised by counsel that such action would expose it to personal liability, is contrary to the terms hereof or is contrary to law.

5.4 Reliance

- (a) The Trustee shall not incur any liability to anyone in acting or refraining from acting upon any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper reasonably believed by it to be genuine and reasonably believed by it to be signed by the proper person or persons.
- (b) The Trustee may accept a copy of a resolution of the board of directors of any corporate party, certified by a director, the secretary, an assistant secretary or any other duly appointed officer of such person, as duly adopted and in full force and effect and as conclusive evidence that such resolution has been adopted by said board and is in full force and effect.
- (c) As to any fact or matter, the manner or ascertainment of which is not specifically described in any Trust Document, the Trustee may for all purposes of the GATS Trust Instrument rely on a certificate, signed by or on behalf of the person executing such certificate, as to such fact or matter, and such certificate shall constitute full protection of the Trustee for any action taken or omitted to be taken by it in good faith in reliance on such certificate.
- (d) In the administration of the GATS Trust, the Trustee may, at the reasonable cost and expense of the Beneficiary, seek advice of counsel, accountants and other skilled persons to be selected and employed by them, and, except as otherwise expressly provided in any Trust Document, neither the Trustee nor the Trust Company shall be liable for anything done, suffered or omitted in good faith by it in accordance with the actions, advice or opinion of any such counsel, agents, accountants or other skilled persons.
- (e) If at any time the Trustee determines that it requires or desires guidance regarding the application of any provision of any Trust Document or any other document, regarding compliance with any direction it receives given in accordance with any Trust Document, the Trustee may deliver a notice to the Beneficiary requesting written instructions as to such application or compliance, and such instructions by or on behalf of the Beneficiary, as applicable, shall constitute full and complete authorization and protection for actions taken and other performance by the Trustee in reliance on such instructions. Until the Trustee has received such instructions after delivering such notice, it may, but shall be under no duty to, take or refrain from taking any action with respect to the matters described in such notice.
- (f) In the administration of GATS Trust, the Trustee may execute the GATS Trust and perform its powers and duties under any Trust Document directly or through one or more agents or attorneys.

5.5 Not Acting in Individual Capacity

In accepting the GATS Trust, the Trustee acts solely as trustee under the Trust Documents and not in any individual capacity, and all persons other than

the Beneficiary having any claim against the Trustee by reason of the transactions contemplated by the Trust Documents shall not have any recourse to the Trust Company.

5.6 Benefit of Protections

The exclusions, limitations, rights and protections under this Section 5 of or applicable to the Trustee and the performance by it of its duties and obligations as trustee of the GATS Trust are for the benefit of both the Trustee and the Trust Company.

6. REPRESENTATIONS, WARRANTIES AND COVENANTS

6.1 Beneficiary Covenants

(a) Representations and Warranties of the Beneficiary

The Beneficiary makes the following representations and warranties in favor of the Trust Company and, if any, the GATS Secured Party as of the date of the GATS Trust Instrument:

(i) Power and Authority

The Beneficiary has the power to enter into, perform and deliver, and has taken all necessary action to authorize its entry into, performance and delivery of each Trust Document to which it is a party.

(ii) Execution and Delivery

Each Trust Document to which the Beneficiary is a party has been duly executed and delivered by one or more signatories duly authorized to execute and deliver such Trust Document for it or on its behalf, assuming, in each case, the due authorization, execution, and delivery by each party to such Trust Document other than the Beneficiary.

(iii) Binding Obligations

The obligations expressed to be assumed by the Beneficiary under each Trust Document to which it is a party are legal, valid, binding and enforceable obligations, enforceable against it in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

Each of the representations and warranties given by the Beneficiary pursuant to this Paragraph 6.1(a) is deemed to be repeated as of the date of each Transfer Document, by reference to the facts and circumstances existing at such time.

(b) Fees and Expenses

The Beneficiary shall pay, or cause to be paid, to the Trust Company, reasonable compensation, as separately agreed pursuant to the Trust Company Service Agreement, for its administration of the GATS Trust and for the proper exercise of its powers and performance of its and the Trustee's obligations and duties under the Trust Documents. The Beneficiary

shall also reimburse, or cause to be reimbursed, the Trust Company for the reasonable costs and expenses (including reasonable legal fees but excluding general overhead charges) incurred by it or the Trustee in the administration of the GATS Trust.

(c) Compliance with Regulatory Laws

(i) The Beneficiary agrees that it will comply with all Regulatory Laws and will not knowingly permit the Aircraft Equipment to be used in a manner that is contrary to any Regulatory Laws which, in each case, are applicable to the Beneficiary, the Trustee or the Aircraft Equipment (including any Aircraft Equipment Related Activity relating to the Aircraft Equipment).

(ii) The Beneficiary acknowledges that Regulatory Laws may apply to the Aircraft Equipment even if it is not physically located in the United States.

(iii) The Beneficiary agrees that it will, promptly upon the Trustee's written request, provide to the Trustee any documentation or other evidence that is reasonably required by the Trustee to comply with Regulatory Laws. To the fullest extent permitted by Applicable Law, the Trust Company shall be entitled to rely conclusively on any such documentation and evidence.

(d) Tax Returns and Tax Matters

(i) The Beneficiary shall be responsible for causing to be prepared and filed all tax returns required to be filed by it.

(ii) The Beneficiary agrees to provide to Trust Company, upon request, all such documents and information necessary to determine whether any tax or withholding obligations apply to any distributions under any Trust Document, including appropriate Internal Revenue Service forms W-9, W-8BEN, or such other applicable form, and such other forms and documents that the Trust Company may request.

(iii) The Beneficiary acknowledges and agrees that Trustee may be required by any Applicable Law to withhold a portion of any distribution under the GATS Trust Instrument.

(iv) To the extent that Trustee becomes liable for the payment of any taxes in respect of any payment received by Trustee or income thereon, the Beneficiary shall pay such amounts to Trustee on demand.

6.2 Trust Company and Trustee Representations, Warranties and Covenants

(a) Representations and Warranties of the Trust Company

The Trust Company makes the following representations and warranties in favor of the Beneficiary and, if any, the GATS Secured Party as of the date of the GATS Trust Instrument:

(i) Power and Authority

Each of the Trust Company and the Trustee has the power to enter into, perform and deliver, and has taken all necessary action to authorize its entry into, performance and delivery of each Trust Document to which it is a party.

(ii) Execution and Delivery

Each Trust Document to which the Trust Company or the Trustee is a party has been duly executed and delivered by one or more signatories duly authorized to execute and deliver such Trust Document for it or on its behalf, assuming, in each case, the due authorization, execution, and delivery by each party to such Trust Document other than the Trust Company and the Trustee.

(iii) Binding Obligations

The obligations expressed to be assumed by the Trust Company or the Trustee under each Trust Document to which it is a party are legal, valid, binding and enforceable obligations, enforceable against it in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

Each of the representations and warranties given by the Trust Company pursuant to this Paragraph 6.2(a) is deemed to be repeated as of the date of each Transfer Document to which the Trustee is a party, by reference to the facts and circumstances existing at such time.

(b) Performance of Trustee Duties

The Trustee agrees to exercise its rights and perform its obligations and duties under the Related Documents in accordance with the terms thereof.

(c) Title Representation and Warranty

The Trust Company represents and warrants in favor of the Beneficiary that, as of the date of acquisition of any Aircraft Equipment by the Trustee, the Trustee shall have received whatever rights in such Aircraft Equipment that were conveyed to it.

(d) Removal of Trust Company Liens

The Trust Company agrees that it will, and at its own cost or expense (but without any right of indemnity in respect of any such cost or expense under any Trust Document), promptly take such action as may be necessary to duly discharge and satisfy in full all Security Interests on any property forming part of the Trust Estate attributable to it in its individual capacity.

(e) Informational Covenant

The Trustee will furnish to the Beneficiary, promptly upon receipt thereof, duplicates or copies of all reports, notices, requests, demands, certificates, financial statements and other instruments furnished to the Trustee under the Trust Documents,

except to the extent to which a responsible officer of the Trustee reasonably believes and notifies the Beneficiary (which notification need not be in writing) that duplicates or copies thereof have already been furnished to the Beneficiary by some other person.

(f) Tax Returns and Tax Matters

The Trustee shall be responsible for keeping all appropriate books and records relating to the receipt and disbursement by the Trustee of monies under any Trust Document. The Trustee shall sign and file all returns with respect to taxes as the Beneficiary may cause to be prepared and direct the Trustee to sign or file. The Trust Company, upon request, will furnish the Beneficiary with all such information as may reasonably be required from the Trustee or the Trust Company in connection with the preparation of such tax returns. The Trustee shall keep copies of all returns delivered to or filed by it.

(g) Limited Purpose

(i) Paragraph 6.2(g)(ii) applies only during the period commencing on the execution of the GATS Security Instrument, if any, until the Security Interest granted thereunder has been released and discharged. During any other period, this Paragraph 6.2(g)(ii) does not apply.

(ii) The Trustee makes the covenants, to the extent not disappplied by the terms thereof, set out in section 4.4 of the Security Instrument Master Terms for the benefit of the Beneficiary and the GATS Secured Party, as if set out in full in the GATS Trust Instrument.

6.3 This Paragraph 5.6 shall survive the termination of any Trust Document.

7. DISCLAIMERS AND LIMITATION OF LIABILITY

7.1 Disclaimer

NEITHER THE TRUST COMPANY NOR THE TRUSTEE MAKES:

(a) ANY REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED, AS TO THE TITLE, AIRWORTHINESS, VALUE, CONDITION, DESIGN, OPERATION, MERCHANTABILITY OR FITNESS FOR USE FOR A PARTICULAR PURPOSE OF ANY AIRCRAFT EQUIPMENT OR ANY PART THEREOF, AS TO THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE, AS TO THE ABSENCE OF ANY INFRINGEMENT OF ANY PATENT, TRADE OR COPYRIGHT, THE ABSENCE OF ANY STRICT LIABILITY OBLIGATION OR ANY OTHER REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED, WITH RESPECT TO ANY AIRCRAFT EQUIPMENT OR ANY PART THEREOF WHATSOEVER; OR

(b) ANY REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED, AS TO THE VALIDITY, LEGALITY OR ENFORCEABILITY OF ANY TRUST DOCUMENT OR ANY OTHER RELATED DOCUMENT OR AS TO THE CORRECTNESS OF ANY STATEMENT CONTAINED IN ANY PROVISION OF

ANY SUCH TRUST DOCUMENT OR ANY SUCH RELATED DOCUMENT,

EXCEPT, IN EACH CASE, TO THE EXTENT EXPRESSLY MADE OR PROVIDED IN ANY TRUST DOCUMENT OR IN ANY RELATED DOCUMENT BY THE TRUST COMPANY OR THE TRUSTEE, AS APPLICABLE.

7.2 Limit of Liability

- (a) The Trust Company shall not be answerable or accountable under any circumstances for its or the Trustee's actions or omissions, or liable under any provision of any Trust Document or any Related Document entered into by the Trustee or the Trust Company, except:
- (i) for its own willful misconduct or gross negligence;
 - (ii) for liabilities that may result from the inaccuracy of any representation or breach of warranty given by it in its individual capacity in any Trust Document, or from the failure by it in its individual capacity to perform any covenant expressed to be performed by it in its individual capacity in any Trust Document;
 - (iii) for taxes, fees or other charges on, based on or measured by any fees, commissions or compensation received by the Trust Company in connection with the transactions contemplated by any Trust Document;
 - (iv) for its or the Trustee's failure to use ordinary care in receiving or disbursing funds or in connection with any express obligation to invest funds pursuant to any Trust Document;
 - (v) for any liability on the part of the Trustee arising out of its failure to comply with the first sentence of Paragraph 6.2(d); or
 - (vi) as otherwise expressly agreed by the Trust Company in the GATS Trust Instrument or in any other Trust Document to which it is a party.
- (b) The Trust Company shall have no obligation to advance its individual funds for any purpose (except as may be required by pursuant to Paragraph 6.2(d)).

7.3 This Paragraph 7 shall survive the termination of any Trust Document.

8. INDEMNIFICATION

- 8.1 Subject to Paragraph 8.2, the Beneficiary agrees, whether or not any of the transactions contemplated by the GATS Trust Instrument shall be consummated, to assume liability for, and to indemnify, protect, save and keep harmless each Indemnified Person from and against all Losses:
- (a) which may be imposed on, incurred by or asserted against in any way relating to or arising out of any Trust Document or any Related Document or the enforcement of any of the terms thereof;
 - (b) in any way relating to or arising out of any Aircraft Equipment Related Activity;

- (c) in any way relating to or arising out of the administration of the Trust Estate, or the Trustee's reliance on any documentation provided by the Beneficiary to the Trustee; and
- (d) in any way relating to or arising out of the action or inaction of the Trustee or the Trust Company under any Trust Document,

in each case, whether or not also indemnified against by any Lessee pursuant to any Lease Agreement or also indemnified against by any other person, but only to the extent not otherwise paid or reimbursed by such Lessee or other person; provided that the Beneficiary shall be subrogated to the right of such Indemnified Person against such Lessee or any such other person.

8.2 The Beneficiary shall not be liable to an Indemnified Person as to any Loss:

- (a) relating to any internal costs and expenses such as salaries and overhead of such Indemnified Person;
- (b) incurred by reason of the Trustee's, the Trust Company's or such Indemnified Person's willful misconduct or gross negligence in the performance or non-performance of its duties under the GATS Trust Instrument;
- (c) resulting from the inaccuracy of any express representation or warranty of the Trust Company (or from the failure of the Trust Company to perform any of its covenants) contained in any Trust Document or any Finance Document to which, in each case, it is a party;
- (d) incurred by reason of the Trustee's, the Trust Company's or any other Indemnified Person's failure to use ordinary care in receiving or disbursing funds or in connection with any express obligation to invest funds pursuant to any Trust Document; or
- (e) in respect of any taxes payable by Trust Company on or measured by any compensation received by Trust Company for its services under the GATS Trust Instrument.

8.3 The indemnities contained in this Paragraph 8:

- (a) extend to the Trust Company and shall not be construed as indemnities in favor of the Trustee or for the benefit of the Trust Estate; and
- (b) shall be in addition to, and not in substitution for, any and all rights of indemnity which the Trust Company is entitled to claim out of the Trust Estate in respect of any claims, actions, suits, costs, expenses, costs or losses suffered by it.

8.4 The indemnities contained in this Paragraph 8 shall survive the termination of any Trust Document, and any resignation or removal of the Trust Company in its capacity as the Trustee.

9. LIABILITY INSURANCE

9.1 In respect of any Aircraft Equipment forming part of the Trust Estate, at all times until two years after the termination of the GATS Trust, the Beneficiary shall:

- (a) ensure that there shall be in effect with respect to such Aircraft Equipment third party legal liability insurance, including passenger liability (if such Aircraft Equipment carries passengers or is installed on other aircraft equipment carrying passengers), in the amounts set forth in and required by any Lease Agreement or Finance Document then in effect with respect to such Aircraft Equipment, and if there is no such lease or mortgage, then in amounts reasonably required by the Trust Company;
- (b) ensure that all such insurance policies shall name each Indemnified Person as additional insureds; and
- (c) deliver to the Trust Company certificates or other evidence satisfactory to the Trust Company showing evidence of all such insurance being in full force and effect prior to or promptly after such Aircraft Equipment becomes part of the Trust Estate and from time to time thereafter upon request by the Trust Company.

9.2 This Paragraph 9 shall survive the termination of any Trust Document.

10. **ASSIGNMENTS AND TRANSFER; TRUSTEE APPROVALS**

10.1 Assignments and Transfers Generally

- (a) The GATS Trust Instrument shall be binding upon and shall inure to the benefit of, and shall be enforceable by, the parties to the GATS Trust Instrument and, subject to the remaining provisions of this Paragraph 10, their respective successors and permitted assigns.
- (b) Except as expressly permitted under this Paragraph 10, the Beneficiary shall not assign or transfer all or a portion of the Beneficial Interest nor any of its Rights nor Obligations, and any purported such assignment or transfer in violation of this Paragraph 10 shall be null and void.
- (c) Except as expressly permitted under this Paragraph 10 and Paragraph 11, neither the Trustee nor the Trust Company shall assign or transfer all or part of its Trustee Interest (if any) nor any of its Rights nor Obligations, and any purported such assignment or transfer in violation of this Paragraph 10 or Paragraph 11 shall be null and void.

10.2 Permitted Assignments and Transfers of all of the Beneficial Interest

- (a) Subject to Paragraph 10.2(b), the Beneficiary may assign and transfer all of the Beneficial Interest to a New Beneficiary upon the execution and delivery of a Transfer Instrument giving effect to such assignment and transfer.
- (b) The Beneficiary shall not assign or transfer or permit the assignment or transfer of all of the Beneficial Interest:
 - (i) to the extent that the GATS Security Instrument, if any, prohibits it from doing so; or
 - (ii) unless it concurrently assigns and transfers all of its Rights and Obligations to the same New Beneficiary.

10.3 Permitted Assignments and Transfers of a portion of the Beneficial Interest

- (a) Subject to Paragraphs 10.3(b) and 10.3(c), the Beneficiary may assign and transfer, with the consent of the Trustee, one or more Partial Beneficial Interests or the Residual Beneficial Interest to a New Beneficiary upon the execution and delivery of a Transfer Instrument giving effect to such assignment and transfer.
- (b) The Beneficiary shall not assign or transfer or permit the assignment or transfer of any Partial Beneficial Interest or the Residual Beneficial Interest:
 - (i) to the extent that the GATS Security Instrument, if any, prohibits it from doing so;
 - (ii) if any Partial Beneficial Interest is then held by another New Beneficiary; or
 - (iii) pursuant to any Transfer Instrument to which the Trustee is not a party.
- (c) The Beneficiary shall not assign or transfer or permit the assignment or transfer of the Residual Beneficial Interest:
 - (i) pursuant to any Transfer Instrument to which the Trustee is a not party; or
 - (ii) unless it concurrently assigns and transfers all of its Rights and Obligations to the same New Beneficiary.

10.4 Grant of Security Interest in the Beneficial Interest

The Beneficiary may grant a Security Interest in the Beneficial Interest in favor of any person pursuant to a Security Instrument.

10.5 Trustee Approval of Leases and Certain Transfers

- (a) The Beneficiary shall not:
 - (i) assign or transfer or permit the assignment or transfer of all or a portion of the Beneficial Interest (other than the grant of a Security Interest pursuant to a Security Instrument); or
 - (ii) enter into any Lease Agreement, Lease or permit the Lease of any Aircraft Equipment by the Trustee or any Lessee,

in each case, without the Trustee's prior written consent (which, with respect to a sub-Lease of such Aircraft Equipment, may be given in advance in the relevant Lease Agreement to which the Trustee is a party as lessor), such consent not to be unreasonably withheld or delayed.

- (b) To facilitate the Trustee's evaluation of any such assignment, transfer or Lease, the Beneficiary agrees that it will use reasonable efforts to provide the Trustee with any information reasonably requested by the Trustee relating to such assignment, transfer or Lease, the proposed New Beneficiary or Lessee and the ownership of such proposed New Beneficiary or Lessee.
- (c) The Trustee's decision to approve or disapprove any proposed assignment, transfer or Lease:

- (i) shall not be deemed to have been unreasonably delayed if the Trustee has not obtained all of the information reasonably required by it to make such decision; and
- (ii) shall not be deemed to have been unreasonably withheld if the Trustee has determined that such proposed assignment, transfer or Lease will or may reasonably be expected to put the Trustee at risk of violating any Regulatory Laws or other Applicable Laws.

10.6 Payment of Expenses on Transfer

Upon the assignment and transfer of all of the Beneficial Interest, a Partial Beneficial Interest, or the Residual Beneficial Interest, the Trust Company may require the Beneficiary, without any right of reimbursement under any Trust Document, to pay or reimburse the Trustee and the Trust Company for the payment of any tax or other charge levied by a Governmental Authority in connection therewith or any charges and expenses connected with such tax or other such charge paid or payable by the Trustee or the Trust Company.

10.7 Assignment and Transfer of Trust Estate

- (a) Any assignment, sale, transfer, grant of a Security Interest in or other conveyance of any Aircraft Equipment or any other property forming part of the Trust Estate by the Trustee made pursuant to and in accordance with the terms of any Trust Document or any Related Document to which the Trustee is a party shall bind the Beneficiary and shall be effective to transfer or convey all right, title and interest of the Trustee and the Beneficiary in and to such Aircraft Equipment or such property.
- (b) No assignee, transferee or purchaser of such Aircraft Equipment or such property, and no person in whose favor a Security Interest has been granted in such Aircraft Equipment or such property, shall be required to enquire as to the authorization, necessity, expediency or regularity of such assignment, sale, transfer, grant of a Security Interest in or other conveyance or as to the application of any sale or other proceeds with respect thereof by the Trustee.
- (c) The parties agree that any such assignment, sale, transfer, grant of a Security Interest or other conveyance or attempted assignment, sale, transfer, grant of a Security Interest or other conveyance shall be subject to the terms of the GATS Security Instrument, if any.

11. SUCCESSOR TRUSTEES

The Trustee shall not resign or be removed and no New Trustee shall be appointed other than in accordance with this Paragraph 11.

11.1 Resignation and Removal of Trustee

- (a) The Trustee may resign at any time:
 - (i) during any Off-Lease Period;
 - (ii) if it is required to do so under any Regulatory Laws or under any other mandatory Applicable

Laws, or pursuant to the FAA Related Terms (if applicable);

- (iii) if the Beneficiary has breached the terms of any Trust Document to which the Beneficiary is a party in any material respect (it being understood that the following shall be deemed to be material for the purposes of this Paragraph 11.1(a)(iii): (A) the non-payment of any overdue fees or other amounts owed to the Trust Company, and (B) failure by the Beneficiary to satisfy or comply with any of its obligations under Paragraph 6.1(c), 8 or 9;
- (iv) the Beneficiary fails to respond within a reasonable time following a request in writing from the Trustee relating to any matter material to any transaction contemplated under any Trust Document or Related Document (it being understood that failure by the Beneficiary to respond to a request pursuant to, and otherwise comply with its obligations under the first sentence of Paragraph 6.1(c)(iii) shall be deemed to be material for the purposes of this Paragraph 11.1(a)(iv)); or
- (v) to the extent permitted by the FAA Related Terms (if applicable), with the consent of the Beneficiary,

in each case upon giving the Required Notice (or such shorter notice period as the Beneficiary and the Trustee may agree) in writing to the Beneficiary of such resignation. The Trustee shall otherwise not be entitled to resign and any purported resignation by the Trustee in violation of this 11.1(a) shall be null and void.

- (b) Subject to compliance with the FAA Related Terms (if applicable), the Beneficiary may remove the Trustee at any time upon giving the Required Notice (or such shorter notice period as the Beneficiary and the Trustee may agree) in writing to the Trustee of such removal.
- (c) No resignation or removal of the Trustee shall take effect unless and until a New Trustee shall have been appointed in accordance with Paragraph 11.2(b), or an interim New Trustee shall have been appointed in accordance with Paragraph 11.3.

11.2 Appointment of New Trustee

Except as provided in Paragraph 11.3, no appointment of a New Trustee shall take effect unless:

- (a) the resignation or removal of the Trustee and the appointment of the New Trustee complies with the FAA Related Terms (if applicable) and any requirements specified in any GATS Security Instrument;
- (b) the New Trust Company is reasonably acceptable to the Beneficiary and, if any, the GATS Secured Party (having regard to its tangible net worth and jurisdiction of incorporation, formation or organization); and

- (c) effected pursuant to the execution and delivery of a Transfer Instrument.

11.3 Court Appointed New Trustee

If no New Trustee has been appointed in accordance with Paragraph 11.2 upon the expiry of the Required Notice, the Trustee or the Beneficiary may apply to any court of competent jurisdiction to appoint an interim New Trustee to act until such time, if any, as another New Trustee shall have been appointed and accepted its appointment as provided in Paragraph 11.1(c) above, and all fees, costs, and expenses incurred by the Trustee or the interim New Trustee in connection with such action shall be subject to reimbursement as set forth in Paragraph 6.1(a). Any such interim New Trustee so appointed by such court shall immediately and without further act be superseded by any such other New Trustee appointed as above provided within one year from the date of the appointment by such court.

11.4 Merger

Any person into which the Trust Company may be merged or converted or with which it may be consolidated, or any person resulting from any merger, conversion or consolidation to which the Trust Company shall be a party, or any person to which substantially all the corporate trust business of Trust Company may be transferred, shall, subject to compliance with the FAA Related Terms (if applicable), be appointed as New Trustee and the Trustee removed without further act.

12. AMENDMENTS

12.1 Amendments

- (a) Neither the GATS Trust Instrument nor any other Trust Document may be amended, modified or otherwise altered except by, subject to Paragraph 12.1(b):
- (i) an amendment effected pursuant to, or to the extent permitted or contemplated by, the express terms of another Trust Document or a Finance Document; or
 - (ii) an amendment effected pursuant to a written instrument executed by the Trustee, the Beneficiary, the Trust Company and, if any, the GATS Secured Party.
- (b) No amendment to the GATS Trust Instrument nor any other Trust Document shall take effect without the written consent of the GATS Secured Party, if any.

12.2 Waivers

Any provision of the GATS Trust Instrument or any other Trust Document may be waived by the Secured Party in a written notice or instrument executed by the Secured Party and delivered to the Beneficiary and the Trustee in accordance with Paragraph 14.2.

13. TERMINATION

13.1 Termination of the GATS Trust

- (a) Subject to Paragraph 13.1(b) below, the GATS Trust Instrument and the GATS Trust shall terminate on the Termination Date.
- (b) No termination of the GATS Trust Instrument or the GATS Trust shall take effect without the written consent of the GATS Secured Party, if any.
- (c) Until the Termination Date, the GATS Trust Instrument and the GATS Trust shall continue in full force and effect in accordance with the terms of the Trust Documents.

13.2 Distribution of Trust Estate upon Termination

Upon any termination of the GATS Trust the Trustee shall assign and transfer to the Beneficiary or its nominee all of its right, title and interest in and to the Trust Estate.

14. MISCELLANEOUS

14.1 Beneficiary Has No Legal Title in Trust Estate

The Beneficiary has no legal title to any part of the Trust Estate. No transfer, by operation of law or otherwise, of the Beneficial Interest shall, in and of itself:

- (a) operate to terminate the GATS Trust Instrument or the GATS Trust; or
- (b) entitle any successors or transferees of the Beneficiary to the transfer of legal title to any part of the Trust Estate.

14.2 Notices

Unless otherwise expressly provided in the GATS Trust Instrument, all notices, demands and other communications under the GATS Trust Instrument shall be in writing and shall be delivered personally or sent by facsimile transmission or electronic mail, with a confirming copy sent by airmail, postage prepaid, and the date of personal delivery or facsimile transmission, as the case may be, shall be the date of such notice, in each case addressed:

- (a) if to the Trustee or the Trust Company, to the address, facsimile or email specified in the corresponding boxes under 'Trustee' in schedule 2 (*Parties and Notice Details*) to the GATS Trust Instrument or as identified in the relevant Transfer Instrument pursuant to which it became the 'Trustee' and the 'Trust Company', as applicable, in each case as updated from time to time pursuant to a written notice delivered to the other party (with a copy to the GATS Secured Party, if any); and
- (b) if to the Beneficiary, to the address, facsimile or email specified in the corresponding boxes under 'Beneficiary' in schedule 2 (*Parties and Notice Details*) to the GATS Trust Instrument or as identified in the Transfer Instrument pursuant to which it became the 'Beneficiary', as applicable, in each case as updated from time to time pursuant to a written notice delivered to the other party (with a copy to the GATS Secured Party, if any).

Each such notice, demand, or other communication shall be effective when received or, if made by

facsimile, when confirmed, or otherwise, when delivered to the address specified above.

14.3 Severability

If any provision of the GATS Trust Instrument or any other Trust Document shall be held invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions of the GATS Trust Instrument or such other Trust Document shall continue to be fully effective, provided that such remaining provisions do not increase the obligations or liabilities of the Trustee or the Trust Company.

14.4 Headings; References

The headings and the table of contents used in the GATS Trust Instrument and each other Trust Document are for convenience of reference only and shall not define or limit any of the terms or provisions of such Trust Document and shall not in any way affect the construction of, or be taken into consideration in interpreting, such Trust Document.

14.5 Force Majeure

Neither the Trustee nor the Trust Company shall be responsible or liable to the Beneficiary, any Lessee or any other person under any Trust Document for failure or delay in performance of any Trust Document due to any war, fire, accident or other casualty, or any labor disturbance or act of God or the public enemy, or any other contingency beyond Trustee's or the Trust Company's reasonable control.

14.6 Tax Treatment

To the extent that any provision of the GATS Trust Instrument results in any applicable Governmental Authority determining that the GATS Trust is not a transparent entity for tax purposes, then for such purposes only such provision shall be disregarded and have no legal effect.

14.7 [Intentionally Omitted]

14.8 Nature of Beneficial Interest

Neither the Beneficial Interest, the Trustee Interest (if any), nor any part thereof nor any interest therein, nor any Rights nor Obligations shall constitute a "security" within the meaning of Article 8 of the UCC.

14.9 Third Party Beneficiaries

- (a) The GATS Secured Party (if any) may enforce the rights (including the consent rights) expressed to be conferred on it under any Trust Document, but shall not be a beneficiary of the GATS Trust or have any interest in the Beneficial Interest (except to the extent of the Security Interest granted or assigned and transferred to it pursuant to the GATS Security Instrument).
- (b) Each Indemnified Person may enforce the rights expressed to be conferred on it under the GATS Trust Instrument, but shall not be a beneficiary of the GATS Trust or have any interest in the Beneficial Interest. No consent of any Indemnified Person (other than the Trust Company) shall be necessary for any amendment, modification, waiver or termination of any provision of the GATS Trust Instrument.

- (c) Except as expressly provided in this Paragraph 14.9, nothing in any Trust Document, whether express or implied, shall be construed to give any person other than the parties to a Trust Document any legal or equitable right, remedy or claim under or in respect of such Trust Document, and each Trust Document shall be held to be for the sole and exclusive benefit of the parties to it.

15. JURISDICTION

15.1 [Intentionally Omitted]

15.2 Jurisdiction

- (a) Each of the parties to each Trust Document:
 - (i) agrees that the Relevant Courts shall have jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise out of or in connection with any Trust Document and, for such purposes, submits to the jurisdiction of such courts; and
 - (ii) waives any objection which it might now or hereafter have to the Relevant Courts being nominated as the forum to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise out of or in connection with any Trust Document and agrees not to claim that any such court is not a convenient or appropriate forum.
- (b) Each of the parties to each Trust Document agrees that the process by which any suit, action or proceeding is begun may be served on it by being delivered in connection with any suit, action or proceeding in any Relevant Court, and consents to receive any such service of process directly at the address determined for such party pursuant to Paragraph 14.2.
- (c) Nothing in this Paragraph 15.2 or any Trust Document will affect the right of any party to such Trust Document to serve process in any other manner permitted by law.

15.3 Waiver of Immunities

- (a) Each of the parties to each Trust Document irrevocably waives and agrees not to plead or claim, to the fullest extent permitted by law, with respect to itself, its revenues, its assets (irrespective of their use or intended use) and its obligations under any Trust Document, all immunity on the grounds of sovereignty or otherwise from:
 - (i) suit, legal action or proceeding;
 - (ii) jurisdiction of any court;
 - (iii) relief by way of injunction or order for specific performance or recovery of property;
 - (iv) attachment of its assets (whether before or after judgment);
 - (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable

law, that it will not claim any immunity in any such proceedings); and

- (vi) service of process, notice or any other legal process.
- (b) Each of the parties to each Trust Document agrees that the waivers set out in this Paragraph 15.3 are effective to the fullest extent permitted under the U.S. Foreign Sovereign Immunities Act of 1976 (28 U.S.C. Sections 1602 to 1611, as amended), and are intended to be irrevocable and not subject to withdrawal for purposes of such Act.

APPENDIX B FAA Related Terms

* * *

1. **APPLICABILITY**

The terms in this Appendix B (these **FAA Related Terms**) shall apply at all times during any FAA Registration Period, provided, however, that this Appendix B shall not apply at all other times except as expressly stated in these FAA Related Terms.

2. **DEFINITIONS**

Unless otherwise defined in these FAA Related Terms, capitalized terms used in these FAA Related Terms have the meaning given to them in the GATS Trust Instrument (including those incorporated by reference to the Master Terms). In these FAA Related Terms:

Affidavit means any affidavit of citizenship required to be given by the Trustee pursuant to Section 47.7(c)(2)(iii) of the FAA Regulations, each in form and substance acceptable to the FAA.

Aircraft Equipment Contact means the Aircraft Equipment Operator or any other person to whom the FAA may look to gather information related to crew members for any FAA Registered Aircraft Equipment, such as FAA Registered Aircraft Equipment's operations on specific dates, the location of such FAA Registered Aircraft Equipment, and maintenance and other aircraft records for such FAA Registered Aircraft Equipment.

Aircraft Equipment Operator means the person normally operating, or maintaining the operations of the FAA Registered Aircraft Equipment.

Aircraft Equipment Related Information means:

- (a) the identity and contact information (address, phone number, email) of the Aircraft Equipment Operator and any other relevant Aircraft Equipment Contact;
- (b) where each such Aircraft Equipment Contact resides or is incorporated and has its principal place of business;
- (c) the location of the Aircraft Equipment Documents associated with the FAA Registered Aircraft Equipment; and
- (d) information relating to where the FAA Registered Aircraft Equipment is normally maintained, based and operated.

Citizen of the United States means a 'Citizen of the United States' within the meaning of Section 40102(a)(15) of the Transportation Code, as interpreted by the United States Department of Transportation, or any similar legislation of the United States enacted in substitution for or replacement of such legislation.

FAA Aircraft Registration Application means AC Form 8050-1 Aircraft Registration Application as completed and fully executed by the Trustee covering any Aircraft Equipment that would, upon registration with the civil

aircraft registry maintained by the FAA, become an FAA Registered Aircraft Equipment.

FAA Bill of Sale means an AC Form 8050-2 Bill of Sale for the FAA Registered Aircraft Equipment from the Beneficiary or the current owner of the FAA Registered Aircraft Equipment to the Trustee.

FAA Registered Aircraft Equipment means the Aircraft Equipment registered in the name of the Trustee with the civil aircraft registry maintained by the FAA, including any engines and parts and Aircraft Equipment Documents forming part of such Aircraft Equipment (whether or not installed thereon).

FAA Regulations means Title 14 of the Code of Federal Regulations.

FAA Trust Policy means (a) the Notice of Proposed Policy Clarification for the Registration of Aircraft to U.S. Citizen Trustees in Situations Involving Non-U.S. Citizen Trustees and Beneficiaries (published in the Federal Register on February 9, 2012 (77 Fed. Reg. 6694)) and (b) the Notice of Policy Clarification for the Registration of Aircraft to U.S. Citizen Trustees in Situations Involving Non-U.S. Citizen Trustees and Beneficiaries (published in the Federal Register on June 18, 2013 (78 Fed. Reg. 36412)), as each may be modified, amended or supplemented from time to time and as may be further enforced or interpreted by the FAA.

GATS Trust Instrument means the GATS trust instrument to which these FAA Related Terms are attached as Appendix B.

Master Terms means the Trust Instrument Master Terms attached as Appendix A (*Master Terms*) to the GATS Trust Instrument.

Operating Agreement means any agreement (including a Lease) that transfers the right to possess, use and operate the FAA Registered Aircraft Equipment from the Trustee to the Beneficiary.

Regulatory Duties means all delegable and non-delegable regulatory compliance duties and obligations (including operational requirements, aircraft maintenance requirements or any other requirements under the Transportation Code, the FAA Regulations and any other law of the United States) as aircraft owner under the FAA Regulations.

Relevant Non-US Person means any person who:

- (a) is neither a Citizen of the United States nor, in the case of an individual, a resident alien; and
- (b) has the power to direct or remove the Trustee, either directly or indirectly through the control of another person.

Transaction Documents means the GATS Trust Instrument, each FAA Bill of Sale, each Warranty Bill of

Sale, each Operating Agreement, each Lease, and any documents pertaining to and relating to any of the foregoing.

Transportation Code means Part A of Subtitle VII of Title 49, of the United States Code.

Warranty Bill of Sale means a full warranty bill of sale for the FAA Registered Aircraft Equipment, executed by the Beneficiary or the current owner of the FAA Registered Aircraft Equipment in favor of the Trustee and specifically referring to each engine installed on the FAA Registered Aircraft Equipment at the effective time of such bill of sale.

3. PRIORITY

3.1 In creating and accepting the GATS Trust, the Beneficiary and the Trustee each acknowledges that in case of conflict, the provisions of these FAA Related Terms are paramount and superior to any other terms and conditions in these Master Terms, the GATS Trust Instrument, any other Trust Document, any Related Document or in any other document or documents to which the Trustee or the Beneficiary is a party, including under any Lease Agreement. It is understood and agreed by the parties to the GATS Trust Instrument that nothing in the GATS Trust Instrument shall relieve any of the Beneficiary, the Trustee or any other person of any obligation to comply with any law rule or regulation of any Governmental Authority with respect to the ownership and operation of the FAA Registered Aircraft Equipment.

3.2 Pursuant to and in accordance with FAA Trust Policy, each of the Trustee and the Beneficiary acknowledges that no owner of FAA Registered Aircraft Equipment may avoid a regulatory obligation imposed on it by the FAA by entering into an agreement with another person.

3.3 The rights of any Secured Party (including any GATS Secured Party) under the GATS Trust Instrument, any other Trust Document, and under the relevant Security Instrument or relevant GATS Security Instrument, as applicable, are at all times subject to the control limitations of Paragraph 8 to the extent described therein.

4. ADDITIONAL DOCUMENTS

Each Operating Agreement shall constitute a 'Lease'. Each Affidavit shall constitute a 'Trust Document'. Each Transaction Document (other than the GATS Trust Instrument) shall constitute a 'Related Document'.

5. ADDITIONAL BENEFICIARY COVENANTS

The Beneficiary covenants and agrees, at all times during any FAA Registration Period, and without prejudice to the Beneficiary's covenants specified in Paragraph 6.1 of the Master Terms:

5.1 that it has reviewed the FAA Trust Policy and will provide the Trustee and the FAA with the information required by the FAA Trust Policy;

5.2 upon request by the FAA, to provide the Trustee and the FAA with any Aircraft Equipment Related Information in an expeditious manner (generally

within two Business Days of the request or immediately in an emergency identified by the FAA);

5.3 upon request by the FAA, to:

(a) provide the Trustee and the FAA with the following information in an expeditious manner:

(i) in addition to any Aircraft Equipment Related Information, any other information about the operator, crew (names and pilot certificate numbers) and aircraft operations on specific dates;

(ii) information about where the FAA Registered Aircraft Equipment will be on a specific date in the future; and

(iii) any other information requested by the FAA.

(b) immediately forward all applicable FAA airworthiness directives to the Beneficiary and the Lessee under each Lease Agreement entered into between the Trustee and such Lessee by the most expeditious means available (generally within five Business Days of the request or immediately in an emergency identified by the FAA);

(c) notify the FAA by the most expeditious means available of the Trustee's resignation or removal under Paragraph 11 of the Master Terms or termination of the GATS Trust Instrument pursuant to Paragraph 13 of the Master Terms; and

(d) permit the inspection of any FAA Registered Aircraft Equipment by the FAA, other United States government entity or duly authorized representatives of the FAA of such government entity in an expeditious manner (generally within five Business Days of the request or immediately in an emergency identified by the FAA or such government entity entitled to inspect such FAA Registered Aircraft Equipment,

in each case, generally within five Business Days of the request or immediately in an emergency identified by the FAA.

5.4 in connection with any assignment or transfer of the all or a portion of the Beneficial Interest pursuant to a Transfer Instrument or otherwise (other than an assignment as security pursuant to a Security Instrument):

(a) to provide the Trustee with the identity and contact information of the New Beneficiary; and

(b) to update the operator information provided pursuant to Paragraphs 5.5 and 5.6 to the extent the Beneficiary has such information or actually receives such information from the operator or from any other source;

5.5 to provide as expeditiously as possible to the Trustee, in response to a written request by the Trustee, the identity and contact information for the operator of any FAA Registered Aircraft Equipment under any Lease with the Beneficiary or any Lessee, whether or not at the Beneficiary's direction; and

5.6 to require that any Lease Agreement transferring possession and operational control of the any FAA

Registered Aircraft Equipment provides for the following or contains similar provisions having the same effect:

- (a) that all further transfers of the rights to possession and operational control of such FAA Registered Aircraft Equipment to a transferee must be in writing;
 - (b) the identity and contact information of the transferee;
 - (c) the transferee's assurance that if and when the transferee is notified that the Trustee has made a request, to promptly provide information relating to any crewmembers of such FAA Registered Aircraft Equipment, the operations of such FAA Registered Aircraft Equipment on specific dates, its location, and the maintenance and other aircraft records for such FAA Registered Aircraft Equipment;
 - (d) that each such further transferee or operator:
 - (i) shall provide its reasonable cooperation to the Trustee, the Beneficiary and the FAA in an expeditious manner with respect to any request from the FAA or other applicable government entity for information and access to records of such FAA Registered Aircraft Equipment which it is legally entitled to receive;
 - (ii) shall authorize the FAA or any other duly authorized representatives of the Aviation Authority where it is habitually based or operated to inspect the Aircraft, upon any request which the FAA or such other Aviation Authority and only to the extent that the FAA or such other Aviation Authority is legally entitled to make under law applicable to such transferee or operator of such Aircraft Equipment; and
 - (iii) agrees that the above-referenced information and inspection requirements will be made and agreed in all subsequent or downstream agreements for the Lease of such FAA Registered Aircraft Equipment by the relevant counterparty to any such subsequent or downstream agreement; and
- 5.7 if at any time:
- (i) it enters into a GATS Security Instrument in connection with the commencement of an FAA Registration Period, it shall file such GATS Security Instrument with the FAA in connection with its application to commence the FAA Registration Period; or
 - (ii) it enters into a GATS Security Instrument after the commencement of an FAA Registration Period, it shall file such GATS Security Instrument with the FAA promptly after it taking effect; or
 - (iii) it has entered into a GATS Security Instrument prior to the commencement of an FAA Registration Period and the Security Interest granted thereunder has not been released and discharged, it shall file such GATS Security Instrument with the FAA in connection with its

application to commence such FAA Registration Period.

6. **ADDITIONAL TRUSTEE COVENANTS**

- 6.1 The Trust Company agrees that, at all times during any FAA Registration Period:
- (a) The Trust Company is and shall continue to be a Citizen of the United States; and
 - (b) it shall immediately notify the Beneficiary upon any officer of the Trust Company becoming aware of the Trust Company ceasing to be, or that it will cease to be, a Citizen of the United States.
- 6.2 The Beneficiary authorizes and directs the Trustee, and the Trustee covenants and agrees to:
- (a) effect the registration of any Aircraft Equipment with the FAA in the name of the Trustee by duly executing and filing or causing to be filed with the FAA, with respect to such Aircraft Equipment (i) an FAA Aircraft Registration Application, (ii) an Affidavit, (iii) an FAA Bill of Sale, (iv) an executed counterpart of the GATS Trust Instrument (including, at the request of the Beneficiary a manually executed duplicate thereof), and (v) any other document or instrument required for such registration including any Transaction Document or any Operating Agreement, except that the Trustee may request that any such Operating Agreement not be filed with the FAA, but only reviewed and returned;
 - (b) upon request by the FAA, and with the cooperation of the Beneficiary, provide the FAA with any Aircraft Equipment Related Information in an expeditious manner (generally within two Business Days of the request or immediately in an emergency identified by the FAA);
 - (c) upon request by the FAA, and with the cooperation of the Beneficiary:
 - (i) provide the FAA with the following information in an expeditious manner (generally within five Business Days of the request or immediately in an emergency identified by the FAA): (A) in addition to any Aircraft Equipment Related Information, any other information about the operator, crew (names and pilot certificate numbers) and aircraft operations on specific dates, (B) information about where the FAA Registered Aircraft Equipment will be on a specific date in the future, and (C) any other information requested by the FAA.
 - (ii) immediately forward all applicable FAA airworthiness directives to the Beneficiary and the Lessee under each Lease Agreement entered into between the Trustee and such Lessee by the most expeditious means available; and
 - (iii) notify the FAA by the most expeditious means available of the Trustee's resignation or removal under Paragraph 11 of the Master Terms or termination of the GATS Trust Instrument pursuant to Paragraph 13 of the Master Terms.
 - (iv) permit the inspection of any FAA Registered Aircraft Equipment by the FAA, other United

States government entity or duly authorized representatives of the FAA of such government entity in an expeditious manner,

in each case, generally within five Business Days of the request or immediately in an emergency identified by the FAA.

6.3 Upon any termination of the GATS Trust the Trustee agrees, as trustee or, as applicable, on behalf of the GATS Trust, to execute and deliver to the Beneficiary an FAA Bill of Sale conveying title to the Aircraft Equipment to the Beneficiary or its nominee and registering such sale as a contract of sale on the International Registry.

6.4 Paragraph 6.2(a) (but only such Paragraph) shall not be limited to the FAA Registration Period and shall apply at all times before, during and after any FAA Registration Period.

7. SUCCESSOR TRUSTEES

7.1 For purposes of this Paragraph 7 only, **for cause** may include willful misconduct or gross negligence, but does not include the refusal of the Trustee to act or refrain from acting in a manner that (i) would violate the laws, regulations, court orders, or lawful directions of a Governmental Authority; (ii) is outside the scope of the Trustee's authority; (iii) is contrary to its obligations under the GATS Trust Instrument; or (iv) is the subject of a mere disagreement between the Trustee and Beneficiary.

7.2 The Trustee shall:

- (a) resign upon obtaining actual knowledge of any facts that would cast doubt upon its continuing status as a Citizen of the United States; and
- (b) shall be entitled to resign upon the failure by the Beneficiary to comply with FAA Trust Policy.

7.3 If, at the effective time of any proposed removal, the Beneficiary is not a Citizen of United States, the Beneficiary shall not be entitled to remove the Trustee pursuant to Paragraph 11.1(b) of the Master Terms unless:

- (a) such removal is for cause only;
- (b) such removal is effected by an applicable Transfer Instrument executed (including electronically or digitally) by an authorized person or persons on behalf of the Beneficiary; and
- (c) at the effective time of removal, all Relevant Non-US Persons, together, have no more than twenty five percent of the aggregate power to direct or remove the Trustee.

7.4 No New Trustee may be appointed pursuant to Paragraph 11.2 or 11.3 of the Master Terms unless:

- (a) the New Trust Company is a Citizen of the United States; and
- (b) concurrently with its appointment, the FAA Registered Aircraft Equipment is re-registered in the name of such New Trustee.

8. CONTROL LIMITATIONS

8.1 Purpose

The purpose of this Paragraph 8 is to assure that:

- (a) the FAA Registered Aircraft Equipment shall be controlled with respect to such matters as are described in this Paragraph 8 by a Citizen of the United States;
- (b) neither the Beneficiary nor any Secured Party shall have any power to influence or control the exercise of the Trustee's authority with respect to such matters; and
- (c) the Trustee shall be able to provide an Affidavit.

These FAA Related Terms shall be construed in furtherance of the foregoing purpose.

8.2 General

Notwithstanding anything to the contrary in the GATS Trust Instrument, any other Trust Document or any Security Instrument, each of the Trustee and the Beneficiary agrees that Relevant Non-US Persons shall, together, have no more than twenty five percent of the aggregate power to direct or remove the Trustee.

8.3 Limitations on Control

- (a) The remainder of this Paragraph 8.3 applies at all times during which neither the Beneficiary nor the Secured Party, if any, is a Citizen of the United States. At all other times the remainder of this Paragraph 8.3 does not apply.
- (b) Notwithstanding any other provision of the GATS Trust Instrument, but subject to this Paragraph 8.3, neither the Beneficiary nor any Secured Party will have any rights or powers to direct, influence or control the Trustee in the performance of the Trustee's duties (including all Regulatory Duties) under the GATS Trust Instrument, including matters involving the ownership and operation of the FAA Registered Aircraft Equipment.
- (c) The Trustee shall exercise its duties (including all Regulatory Duties) under the GATS Trust Instrument in connection with matters involving the ownership and operation of the FAA Registered Aircraft, as trustee of the GATS Trust, in its discretion, which it shall deem necessary to protect the interests of the United States, notwithstanding any countervailing interest of any foreign power which, or whose citizens, may have a direct or indirect interest in the Beneficiary or any Secured Party and any such action by the Trustee shall not be considered malfeasance or in breach of any obligation which the Trustee might otherwise have to the Beneficiary or to any Secured Party; provided, however, that subject to the foregoing limitations, the Trustee shall exercise this discretion in all matters arising under the GATS Trust Instrument, including the ownership and operation of the FAA Registered Aircraft Equipment with due regard for the interests of the Beneficiary and any Secured Party.
- (d) In exercising any of its rights and duties under the GATS Trust Instrument in connection with matters which may arise not relating to the ownership and

operation of the FAA Registered Aircraft Equipment, but subject to the terms of any Security Instrument and any applicable Related Document or Finance Document, the Trustee shall be permitted to seek the advice of the Beneficiary (and, if applicable, any Secured Party) before taking, or refraining from taking, any action with respect thereto.

the Beneficiary as expressly provided in this Paragraph 9) for any breach of, or failure to comply with, the terms of this this Paragraph 9.

- (e) To the extent that the Trustee takes any action or inaction as trustee or, if applicable, on behalf of the GATS Trust in accordance with any written instruction and/or advice of the Beneficiary or any Secured Party given or in exercising its discretion under this Paragraph 8.3, such action or inaction shall not be deemed to be gross negligence or willful misconduct.
- (f) Except to the extent provided otherwise pursuant to the terms of any Security Instrument or any applicable Related Document or Finance Document, the Trustee shall notify the Beneficiary and any Secured Party of its exercise of rights and duties under the GATS Trust Instrument in connection with matters involving the ownership and operation of the FAA Registered Aircraft Equipment.

8.4 Certain Exceptions

Subject to the requirements, if applicable, of the preceding Paragraph 8.3 and the terms of any Security Instrument or any applicable Related Document or Finance Document, the Trustee agrees that it will not, nor cause the GATS Trust to, without the prior written consent of the Secured Party (or if there is no Secured Party, the Beneficiary), sell, mortgage, pledge or otherwise dispose of the FAA Registered Aircraft Equipment or other property forming part of the Trust Estate relating thereto or amend any Related Document to which the Trustee is a party (other than a document over which the Trustee has the absolute and complete discretion established under these FAA Related Terms) or give any consents under any such Related Document except as otherwise expressly provided for in any Trust Document or any such Related Document.

9. **LIMITATION OF LIABILITY**

- 9.1 This Paragraph 9 applies notwithstanding anything to the contrary in Paragraph 7 of the Master Terms.
- 9.2 Except as may otherwise be provided in any other Trust Document or any Related Document to which, in each case, the Trust Company is a party, under no circumstances shall the Trust Company:
 - (a) have any liability under this Paragraph 9 except to the extent, and solely to the extent, that any failure to comply with any provision of this Paragraph 9 is solely attributable to the gross negligence or willful misconduct of the Trust Company or the Trustee;
 - (b) be liable to the Beneficiary to comply with the requirements of this Paragraph 9 or any other provision of this Agreement is caused by or is otherwise attributable to any action or inaction of any other person (including the Beneficiary); and
 - (c) except as provided in sub-paragraph (a) of this Paragraph 9.2, be liable to any person (other than



GATS Trust Instrument Master Terms
US TRUST BRANCH

(TRANSITIONAL FORM)

* * *

APPENDIX A Master Terms

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1. [INTENTIONALLY OMITTED]

2. DEFINITIONS AND INTERPRETATION

2.1 Definitions

Unless otherwise defined in the terms of this Appendix A (these **Master Terms**), capitalized terms used in these Master Terms have the meaning given to them in the GATS Trust Instrument. In these Master Terms:

Aircraft Equipment Documents means all technical data, manuals supplied by any manufacturer of the Aircraft Equipment (or any other manufacturer or supplier), logs, records, computer data media and other materials and documents kept by the operator of the Aircraft Equipment or required to be kept with respect to any Aircraft Equipment whether in compliance with any Applicable Law, any Lease Agreement or any requirement of any applicable Aviation Authority.

Aircraft Equipment Related Activity means, with respect to any Aircraft Equipment, the manufacture, purchase, acceptance, non-acceptance, rejection, ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of such Aircraft Equipment (including latent and other defects, whether or not discoverable, and any claim for patent, trademark or copyright infringement).

Applicable Law means all laws, rules, statutes, ordinances, regulations and orders of any Governmental Authority applicable to the Beneficiary, the Trustee, the Trust Company, the GATS Trust, any Aircraft Equipment or any other property forming part of the Trust Estate.

Aviation Authority means, in relation to any Aircraft Equipment, any governmental agency which has control or supervision of civil aviation in the state in which such Aircraft Equipment is registered (including, during any FAA Registration Period, the FAA) or in the state which has jurisdiction over the registration, airworthiness or operation of, or other matters relating to such Aircraft Equipment.

Beneficial Interest means all of the interest in and to the Trust Estate, other than ~~bare~~ legal title.

Business Day means a day, other than a Saturday or Sunday, on which banks are open in New York City, New York, and the Trust Company's principal place of business for the transaction of business of the nature required by the GATS Trust Instrument.

Cape Town Convention means, collectively, the official English language texts of the Convention on International Interests in Mobile Equipment, and the Protocol to such Convention on Matters Specific to Aircraft Equipment.

Excluded Property means:

- (a) liability insurance proceeds payable to or for the benefit of an additional or named insured for any Indemnified Person; and
- (b) any fees, expenses or requisition, indemnity or other payments or indemnities of any Indemnified Person.

FAA means the United States Federal Aviation Administration.

FAA Registration Period means any period during which any Aircraft Equipment is registered with the civil aircraft ~~register~~ registry maintained by the FAA.

Finance Documents has the meaning given to such term in the GATS Security Instrument, if any.

GATS Forms means the GATS forms of trust, transfer and security related documentation for the US Trust Branch substantially in the forms marked 'transitional form' and available for download on the AWG website at <http://awg.aero/projects/gats/> ~~http://awg.aero/projects/gats/~~.

GATS Secured Party means, in relation to the GATS Security Instrument, if any, the person in whose favor a Security Interest has been granted pursuant to such GATS Security Instrument.

GATS Security Instrument means the Security Instrument, if any, in the applicable GATS Form and identified by the terms thereof as the 'GATS Security Instrument', but only for so long as the Security Interest granted thereunder has not been released and discharged.

GATS Trust Instrument means the GATS trust instrument to which these Master Terms are attached as Appendix A.

Global Aircraft Trading System or **GATS** means the Global Aircraft Trading System, as more particularly described on the AWG website at <http://awg.aero/projects/gats/> ~~http://awg.aero/projects/gats/~~.

Governing Law means the laws of the jurisdiction by which the GATS Trust Instrument is expressed to be governed.

Governmental Authority means:

- (a) any national government, political subdivision thereof or local jurisdiction therein;
- (b) any instrumentality, board commission, court or agency of any of the foregoing, however constituted; and
- (c) any association, organization or institution of which any of the foregoing is a member or to whose

jurisdiction any thereof is subject or in whose activities any of the above is a participant.

Indemnified Person means the Trust Company and its successors, permitted assigns, legal representatives, agents and employees.

International Registry means the international registry established pursuant to the Cape Town Convention.

Lease means any lease (including a wet-lease), bailment or transfer of possession, use or operational control of any Aircraft Equipment by one person to another person.

Lease Agreement means any agreement entered into by a Lessee for the Lease of any Aircraft Equipment and, during any FAA Registration Period, each other document identified in the FAA Related Terms as a 'Lease Agreement'.

Lessee means, at any time, any person who, at such time, is leasing (including wet-leasing) or has possession or operational control of any Aircraft Equipment from:

- (a) the Trustee; or
- (b) another person having a leasing interest in such Aircraft Equipment who, at such time, is leasing such Aircraft Equipment directly or indirectly from the Trustee.

Loss means any and all liabilities, obligations, losses, damages, penalties, taxes, claims, actions, suits, costs, expenses or disbursements (including reasonable ongoing fees of the Trustee and reasonable legal fees and expenses) of any kind and nature whatsoever.

New Beneficiary means in relation to an assignment and transfer by the Beneficiary of the Beneficial Interest, the person to whom, immediately prior to such assignment and transfer, all (or, to the extent permitted under the GATS Trust Instrument, a portion) of the Beneficial Interest is to be assigned and transferred.

New Trust Company means the person acting as New Trustee, not in its capacity as trustee but in its individual capacity and for its own account.

New Trustee means, in relation to the resignation or removal of the Trustee as trustee of the GATS Trust, the person, ~~immediately prior to such resignation or removal,~~ to be appointed as its successor as trustee of the GATS Trust.

Obligations means:

- (a) in respect of the Beneficiary, all of its obligations and duties under the GATS Trust Instrument; and
- (b) in respect of the Trustee or the Trust Company, all of its obligations and duties under the GATS Trust Instrument and the GATS Security Instrument.

Off-Lease Period means any period during which no Aircraft Equipment is subject to a Lease.

Partial Beneficial Interest means such portion of the Beneficial Interest solely allocable to:

- (a) a specifically identified part of any Aircraft Equipment; and

- (b) all other property forming part of the Trust Estate allocable to such Aircraft Equipment, including: (i) all insurance proceeds and requisition proceeds (ii) all rent paid or payable to the Trustee under any Lease Agreement, and (iii) all other rights of the Trustee under any Lease Agreement and each other Related Document, in each case allocable to such Aircraft Equipment.

Regulatory Laws means all Applicable Laws from time to time relating to sanctions, money laundering (including know your customer requirements), corruption, bribery, sanctions or terrorism, including those promulgated by the U.S. Department of Treasury's Office of Foreign Assets Control and the Financial Crimes Enforcement Network.

Related Documents means each Lease Agreement to which ~~anythe~~ Trustee ~~Party~~ is a party, each Finance Document to which ~~anythe~~ Trustee ~~Party~~ is a party, any bills of sale relating to any Aircraft Equipment executed by or given in favor of the Trustee, any document executed by ~~anythe~~ Trustee ~~Party~~ pursuant to or relating to the Lease Agreement or Finance Document, any other document executed by ~~anythe~~ Trustee ~~Party~~ in connection with the Aircraft Equipment or which ~~anythe~~ Trustee ~~Party~~ has executed pursuant to any instruction given in accordance with Paragraph 5.1(a), but excluding any and all Trust Documents and, during any FAA Registration Period, each other document identified in the FAA Related Terms as a 'Related Document'.

Relevant Courts means any state court or state administrative tribunal sitting in the jurisdiction of the Governing Law, and any United States District Court or federal administrative tribunal sitting in such jurisdiction, and any appellate court of any such court.

Required Notice means, in respect of any notice given pursuant to Paragraph 11 during any FAA Registration Period, 60 days, and during any other period, 30 days.

Residual Beneficial Interest means, at any time following the assignment and transfer of one or more Partial Beneficial Interests to a New Beneficiary, all of the portion of the Beneficial Interest that is at such time retained by the Beneficiary which it has not assigned and transferred to such New Beneficiary.

Rights means:

- (a) in respect of the Beneficiary, all of its right, title and interest in and to the GATS Trust Instrument (but excluding all of its right, title and interest in and to the Beneficial Interest); and
- (b) in respect of the Trustee or the Trust Company, all of its right, title and interest in and to the GATS Trust Instrument and the GATS Security Instrument, including all of its trust powers under the GATS Trust Instrument and under the Governing Law and any other applicable law (but excluding, in the case of the Trustee, all of its right, title and interest in and to the Trustee Interest).

Secured Party means, in relation to the grant of a Security Interest by the Beneficiary in all of its right, title and interest in and to the Beneficial Interest, the person in whose favor such Security Interest is granted or to

whom the benefit of such Security Interest is subsequently assigned and transferred.

Security Instrument means any instrument executed and delivered by the Beneficiary and a Secured Party pursuant to which, inter alia, the Beneficiary grants a Security Interest in all or a portion of the Beneficial Interest in favor of such Secured Party.

Security Instrument Master Terms means the master terms attached as appendix A to the GATS Security Instrument.

Security Interest means any mortgage, charge, pledge, security assignment, lien, other security interest, or any lease or other encumbrance, however created or arising.

Servicer means, in relation to any Aircraft Equipment, any Lease or any Lease Agreement, the person from time to time appointed as servicer of such Aircraft Equipment, such Lease or such Lease Agreement, but only to the extent notified in writing from time to time by the Beneficiary to the Trustee.

Termination Date means the earlier of:

- (a) the date on which the termination of the GATS Trust is expressed to take effect as identified in terminationany instrument entered into between the Trustee and the Beneficiary effecting the termination of the GATS Trust;
- (b) the date on which the Trustee assigns and transfers to any other person (other than to a New Trustee) all of its right, title and interest in and to all of the Trust Estate in accordance with Paragraph 10.7; or
- (c) the Perpetuity Expiry Date.

Transfer Instrument means any instrument executed and delivered by:

- (a) the Beneficiary, the New Beneficiary, the Trustee and the Trust Company pursuant to which the Beneficiary assigns and transfers (i) all or a portion of the Beneficial Interest and (ii) its Rights and Obligations to the New Beneficiary, and which is in the applicable GATS Form; or
- (b) the Trustee, the New Trustee, the Trust Company, the New Trust Company and the Beneficiary pursuant to which (i) the Trustee resigns or is removed as trustee, (ii) the New Trustee is appointed as trustee, (iii) the Trustee assigns and transfers all of its Trustee Interest (if any) and its Rights and Obligations to the New Trustee, and (iv) the Trust Company assigns and transfers its Rights and Obligations to the New Trust Company.

Trust Company means the person acting as Trustee, not in its capacity as trustee but in its individual capacity and for its own account.

Trust Company Service Agreement means the service agreement, including any fee agreement relating thereto and any standard terms of service incorporated by reference therein, entered into between the Trust Company or the service provider who has agreed to manage trustee functions on its behalf, and the Beneficiary or an affiliate of the Beneficiary.

Trust Documents means:

- (a) the GATS Trust Instrument;
- (b) each Transfer Instrument, if any;
- (c) during any FAA Registration Period, each other document identified in the FAA Related Terms as a 'Trust Document'; and
- (d) any other document which the Beneficiary, the Trustee, the Trust Company and the GATS Secured Party (if any) agree in writing is a 'Trust Document'.

Trustee Interest means, to the extent that the Trustee holds ~~bare~~ legal title to the Trust Estate, all of the Trustee's right, title and interest in and to the Trust Estate.

~~**Trustee Party** means:~~

- ~~(a) the Trustee; or~~
- ~~(b) the GATS Trust (but only if, under the Governing Law, the GATS Trust may exist, and pursuant to the terms of the GATS Trust Instrument, legal title to all of the Trust Estate is to be held in the name of the GATS Trust as a separate legal entity).~~

UCC means the Uniform Commercial Code as in effect from time to time in the jurisdiction of the Governing Law, and the Uniform Commercial Code of any other applicable jurisdiction that now or hereafter substantially includes the 1994 revisions to Article 8 thereof as adopted by the American Law Institute and the National Conference of Commissioners on Uniform State Laws and approved by the American Bar Association on February 14, 1995.

US Trust Branch means the GATS trust branch corresponding to the United States.

2.2 Interpretation

- (a) Unless a contrary intention appears, a reference in the GATS Trust Instrument or any other Trust Document to:
 - (i) the **Trustee**, the **Beneficiary** or the **Trust Company** shall be construed (A) to be a reference to it in its capacity as such and not in any other capacity, and (B) so as to include its successors in title, permitted assigns and permitted transferees;
 - (ii) a **person** includes any individual, firm, company, corporation, ~~any~~ association, trust, joint venture consortium, partnership or other entity (whether or not having separate legal personality) and (A) during any FAA Registration Period, excludes a government, state, political subdivision or agency of a state, or (B) during any other period, includes a government, state, political subdivision or agency of a state;
 - (iii) **assets** or **property** includes present and future assets or properties, revenues and rights of every description;
 - (iv) a **law** or **regulation** includes any law, constitution, treaty, statute, ~~law~~, decree, regulation, order (including an executive order

or decree), rule or directive of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organization, or any judicial or administrative interpretation or application of, or decision under, any of the foregoing;

- (v) any provision of any law or regulation includes any such provision as amended, re-enacted or superseded by any other law or regulation;
- (vi) an **Article**, a **Clause**, a **Section**, a **Paragraph** an **Annex**, an **Appendix**, an **Exhibit** or a **Schedule** in the GATS Trust Instrument or in any other Trust Document is a reference to an article, clause, section or paragraph of, or an annex, appendix, exhibit or a schedule to the GATS Trust Instrument or such other Trust Document, as applicable;
- (vii) [intentionally omitted];
- (viii) any agreement, instrument or document, or any annex, schedule or exhibit to any of the foregoing, or any other part of the foregoing, includes that agreement, instrument or document, or annex, schedule or exhibit, or part, respectively, as amended, modified or supplemented from time to time in accordance with its terms, and any agreement, instrument or document amending, restating, replacing or substituting that agreement, instrument or document, or annex, schedule or exhibit, or part, respectively;
- (ix) words importing the plural include the singular and words importing the singular include the plural;
- (x) **in writing** or **written** includes by electronic communication, unless otherwise stated; ~~and~~
- (xi) the date of the GATS Trust Instrument or any Trust Document or Finance Document which is in the applicable GATS Form is the date indicated on its front cover; ~~and~~
- (xii) references to legal title to the Trust Estate in the 'Trustee Interest' and 'Beneficial Interest' definitions in these Master Terms shall be construed: (A) during any FAA Registration Period, in accordance with the meaning given to such term in the Transportation Code (as defined in the FAA Related Terms) and the FAA Regulations (as defined in the FAA Related Terms), and (B) during any period other than an FAA Registration Period, to mean bare legal title to the Trust Estate.
- (b) The words 'including' and terms and phrases of similar import mean, in each case, 'including, without limitation'.
- (c) Headings used in any Trust Document are for convenience only and shall not in any way affect the construction of, or be taken into consideration in interpreting, such Trust Document.

(d) Each schedule and appendix to each Trust Document is incorporated in, and shall be deemed to be a part of, such Trust Document.

(e) The GATS Trust Instrument includes and shall be deemed to include these Master Terms and the FAA Related Terms.

3. TRUST ESTATE AND ADMINISTRATION

3.1 The Trustee will administer the GATS Trust and maintain the existence of the GATS Trust as a separate trust. The Trustee shall mark its books and records and take such other action as is necessary to segregate property forming part of the Trust Estate, assets and liabilities of the GATS Trust, from the property, assets and liabilities of the Trust Company, of any other trust of which the Trust Company is the trustee, and of any other person, and will refrain from commingling such property, assets and liabilities with any such other property, assets and liabilities.

3.2 The Trustee agrees that it will deal with the Aircraft Equipment or any other property forming part of the Trust Estate in accordance with and as expressly provided the Trust Documents, and in no event will the Trustee permit any party to possess or use any of the Aircraft Equipment except as required or permitted by the terms of any Related Documents or as required by Applicable Law, or as otherwise instructed to do so pursuant to Paragraph 5.1.

4. RECEIPT AND DISTRIBUTION OF INCOME AND PROCEEDS

4.1 Payments from Trust Estate Only

(a) All payments to be made by the Trustee under any Trust Document shall be made only from the income from and proceeds of the Trust Estate to the extent that the Trustee shall have received sufficient income or proceeds from the Trust Estate to make such payments, and the Trustee shall have no obligation to distribute to the Beneficiary or any other person any amounts to be paid to Trustee until such amounts are collected by Trustee.

(b) The Beneficiary agrees that it will look solely to the income from and proceeds of the Trust Estate to the extent available for distribution to the Beneficiary as provided in any Trust Document.

(c) Except as provided in Paragraph 7.2, the Beneficiary agrees that the Trust Company is neither personally liable to the Beneficiary for any amounts payable nor subject to any other liability under the GATS Trust Instrument.

4.2 Distributions

(a) Any payment received by the Trustee pursuant to the GATS Trust Instrument and any other amount received by it as part of the Trust Estate and for the application or distribution of which no provision is made in the GATS Trust Instrument shall be distributed promptly upon receipt by the Trustee in the following order of priority:

- (i) *first*, to pay or reimburse the Trustee and the Trust Company for any expenses in respect of which it is entitled to be reimbursed pursuant to the GATS Trust Instrument or any other Trust Document; and
 - (ii) *second*, the balance, if any, shall be paid (A) in accordance with the provisions of the GATS Security Instrument, if any, or otherwise (B) to the Beneficiary or at the written direction of the Beneficiary (which direction, in each case, may be given in any Related Document to which ~~anythe~~ Trustee-Party is a party).
- (b) Subject always to the prior satisfaction of all applicable Regulatory Laws, the Trustee shall make or cause to be made all distributions pursuant to the GATS Trust Instrument:
- (i) by wire transfer in immediately available funds on the day received (or on the next succeeding Business Day if the funds to be so distributed shall not have been received by the Trustee by 12:00 noon, New York City time; and
 - (ii) to such account and in such manner as required by the terms of the GATS Security Instrument or, if there is no GATS Security Instrument, to such account as the Beneficiary shall from time to time direct in writing (which direction, in each case, may be given in any Related Document to which the Trustee is a party).

4.3 Status of monies received

All monies (if any) received by the Trustee under or pursuant to any provision of any Trust Document (other than monies that are or are the proceeds of Excluded Property) shall constitute property that is part of the Trust Estate and trust funds for the purpose for which they are paid or held, and shall be segregated from any other monies and deposited by the Trustee under such conditions as may be prescribed or permitted by law for trust funds. The Trustee shall not be liable for any interest on any such monies, except as may be expressly agreed with the Beneficiary in any Trust Document.

5. TRUSTEE

5.1 Action upon Instructions; Authorization

- (a) Subject to section 4 of the GATS Trust Instrument, the remainder of this Paragraph 5 and Paragraph 7, upon the written instructions at any time and from time to time of the Beneficiary, the Servicer on its behalf or, to the extent permitted by the GATS Security Instrument, if any, the GATS Secured Party, the Trustee will and covenants and agrees to take such of the following actions (where applicable, on behalf of the GATS Trust), to the extent not inconsistent with the terms of any Trust Document or any Related Document, as may be specified in such instructions:
 - (i) execute and deliver: (A) any and all Trust Documents; (B) any and all Related Documents (in the form delivered by the Beneficiary to the

Trustee), (C) each other document that Trustee is required to deliver pursuant to any Trust Document or any Related Document (in the form delivered by the Beneficiary to the Trustee); (C) any documents necessary to effect and/or maintain the registration of the Aircraft Equipment with the applicable Aviation Authority and any other applicable Governmental Authority; and (D) all such other instruments, documents or certificates and take all such other actions in accordance with the direction of the Beneficiary, in each case as the Beneficiary may deem necessary or advisable in connection with the transactions contemplated by the Trust Documents or the Related Documents (including in connection with the Cape Town Convention);

- (ii) cause the Aircraft Equipment to be delivered to, or redelivered from, the Lessee under any Lease Agreement from time to time in effect and to which ~~anythe~~ Trustee-Party is a party as lessor;
- (iii) give such notice or direction or exercise such right, remedy or power under the GATS Trust Instrument, any other Trust Document, any Related Document or in respect of all or any part of the Trust Estate, or take such other action, as shall be specified in such instructions;
- (iv) take such action to preserve or protect the Trust Estate (including the discharge of Security Interests) as may be specified in such instructions;
- (v) approve as satisfactory to it all matters required by the terms of any Trust Document or any Related Document to be satisfactory to the Trustee, it being understood that without written instructions of the Beneficiary, the Trustee shall not approve any such matter as satisfactory to it;
- (vi) take title to any Aircraft Equipment;
- (vii) cooperate with the Beneficiary to effect the registration of any Aircraft Equipment with any other Aviation Authority and any other applicable Governmental Authority by duly executing and filing or causing to be filed with such Aviation Authority any document or instrument required effect such registration;
- (viii) to the extent permitted under the terms of the GATS Security Instrument, if any, convey any or all of the Trustee's right, title and interest in and to any Aircraft Equipment or any other property forming part of the Trust Estate for such amount, on such terms and to such purchaser or purchasers (or transferee or transferees) as shall be designated in such instructions, or retain, lease or otherwise dispose of, or from time to time take such other action with respect to, any Aircraft Equipment or any such other property on such terms as shall be designated in such instructions;

- (ix) to establish Trustee as a 'transacting user entity' (as provided in the Cape Town Convention) on the International Registry, and register, consent to registration of or discharge interests on the International Registry as required pursuant to the Related Documents; and
- (x) take or refrain from taking such other action or actions as may be specified in such instructions.
- (b) The Beneficiary authorizes the Trustee to:
 - (i) subject to the terms of the Trust Documents, exercise its rights and perform its duties under the Related Documents and the Trust Documents; and
 - (ii) execute and deliver any document (including any document pursuant to which ~~any~~the Trustee ~~Party~~ acts as a guarantor or surety for the obligations of the Beneficiary), or take or refrain from taking any action, as directed by the Beneficiary pursuant to and in accordance with this Paragraph 5.1.
- (c) The Trustee shall have no power or authority to, and the Trustee agrees that it will not, manage, control, use, sell, dispose of or otherwise deal with any Aircraft Equipment or any other property forming part of the Trust Estate except:
 - (i) as expressly required by the terms of any of the Related Documents; or
 - (ii) as expressly provided in written instructions pursuant to and in accordance with this Paragraph 5.1.

5.2 No Other Duties

The Trustee shall have no duties or obligations except those expressly set forth in any Trust Document and those duties provided for by Applicable Law. Without prejudice to the generality of the foregoing, the Trustee shall not have any duty to:

- (a) obtain any insurance on any of the Aircraft Equipment or maintain any such insurance;
- (b) subject to the Trust Company's obligations under Paragraph 6.2(d), see to the payment or discharge of any tax, assessment or other charge levied by a Governmental Authority or any lien or encumbrance of any kind owing with respect to, assessed or levied against, any of the Aircraft Equipment;
- (c) confirm or verify any notices or reports other than to furnish the Beneficiary with a copy of each notice or report furnished to the Trustee with respect to any of the Aircraft Equipment;
- (d) inspect any of the Aircraft Equipment at any time; or
- (e) except as set forth in any Trust Document, be responsible for any recording or the maintenance of any such recording or filing with any Aviation Authority or other government authority.

5.3 Limitation on Duties

- (a) The Trustee shall not have any obligation by virtue of the GATS Trust Instrument to expend or risk any of its own funds, or to take any action which could, in the reasonable opinion of the Trustee, result in any cost or expense being incurred by the Trustee, if it shall have reasonable grounds for believing that repayment of such funds is not reasonably assured to it.
- (b) The Trustee shall not be required to execute any Trust Document or take any action or refrain from taking any action under any Trust Document unless it shall have been indemnified by the Beneficiary (or any other person acting as guarantor of its obligations under such Trust Document or providing an indemnity in favor of the Trustee in respect of such Trust Document) in a manner and form satisfactory to the Trustee against any liability, cost or expense (including reasonable attorneys' fees) which may be incurred in connection therewith.
- (c) No provision of any Trust Document shall be deemed to impose any duty on the Trustee to take any action if the Trustee shall have been advised by counsel that such action would expose it to personal liability, is contrary to the terms hereof or is contrary to law.

5.4 Reliance

- (a) The Trustee shall not incur any liability to anyone in acting or refraining from acting upon any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper reasonably believed by it to be genuine and reasonably believed by it to be signed by the proper person or persons.
- (b) The Trustee may accept a copy of a resolution of the board of directors of any corporate party, certified by a director, the secretary, an assistant secretary or any other duly appointed officer of such person, as duly adopted and in full force and effect and as conclusive evidence that such resolution has been adopted by said board and is in full force and effect.
- (c) As to any fact or matter, the manner or ascertainment of which is not specifically described in any Trust Document, the Trustee may for all purposes of the GATS Trust Instrument rely on a certificate, signed by or on behalf of the person executing such certificate, as to such fact or matter, and such certificate shall constitute full protection of the Trustee for any action taken or omitted to be taken by it in good faith in reliance on such certificate.
- (d) In the administration of the GATS Trust, the Trustee may, at the reasonable cost and expense of the Beneficiary, seek advice of counsel, accountants and other skilled persons to be selected and employed by them, and, except as otherwise expressly provided in any Trust Document, neither the Trustee nor the Trust Company shall be liable for anything done, suffered or omitted in good faith by it in accordance with the actions, advice or opinion of any such counsel, agents, accountants or other skilled persons.

(e) If at any time the Trustee determines that it requires or desires guidance regarding the application of any provision of any Trust Document or any other document, regarding compliance with any direction it receives given in accordance with any Trust Document, the Trustee may deliver a notice to the Beneficiary requesting written instructions as to such application or compliance, and such instructions by or on behalf of the Beneficiary, as applicable, shall constitute full and complete authorization and protection for actions taken and other performance by the Trustee in reliance on such instructions. Until the Trustee has received such instructions after delivering such notice, it may, but shall be under no duty to, take or refrain from taking any action with respect to the matters described in such notice.

(f) In the administration of GATS Trust, the Trustee may execute the GATS Trust and perform its powers and duties under any Trust Document directly or through one or more agents or attorneys.

5.5 Not Acting in Individual Capacity

In accepting the GATS Trust, the Trustee acts solely as trustee under the Trust Documents and not in any individual capacity, and all persons other than the Beneficiary having any claim against the Trustee by reason of the transactions contemplated by the Trust Documents shall not have any recourse to the Trust Company.

5.6 Benefit of Protections

The exclusions, limitations, rights and protections under this Section 5 of or applicable to the Trustee and the performance by it of its duties and obligations as trustee of the GATS Trust are for the benefit of both the Trustee and the Trust Company.

6. REPRESENTATIONS, WARRANTIES AND COVENANTS

6.1 Beneficiary Covenants

(a) Representations and Warranties of the Beneficiary

The Beneficiary makes the following representations and warranties in favor of the Trust Company and, if any, the GATS Secured Party as of the date of the GATS Trust Instrument:

(i) Power and Authority

The Beneficiary has the power to enter into, perform and deliver, and has taken all necessary action to authorize its entry into, performance and delivery of each Trust Document to which it is a party.

(ii) Execution and Delivery

Each Trust Document to which the Beneficiary is a party has been duly executed and delivered by one or more signatories duly authorized to execute and deliver such Trust Document for it or on its behalf, assuming, in each case, the due authorization, execution, and delivery by

each party to such Trust Document other than the Beneficiary.

(iii) Binding Obligations

The obligations expressed to be assumed by the Beneficiary under each Trust Document to which it is a party are legal, valid, binding and enforceable obligations, enforceable against it in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

Each of the representations and warranties given by the Beneficiary pursuant to this Paragraph 6.1(a) is deemed to be repeated as of the date of each Transfer Document, by reference to the facts and circumstances existing at such time.

(b) Fees and Expenses

The Beneficiary shall pay, or cause to be paid, to the Trust Company, reasonable compensation, as separately agreed pursuant to the Trust Company Service Agreement, for its administration of the GATS Trust and for the proper exercise of its powers and performance of its and the Trustee's obligations and duties under the Trust Documents. The Beneficiary shall also reimburse, or cause to be reimbursed, the Trust Company for the reasonable costs and expenses (including reasonable legal fees but excluding general overhead charges) incurred by it or the Trustee in the administration of the GATS Trust.

(c) Compliance with Regulatory Laws

(i) The Beneficiary agrees that it will comply with all Regulatory Laws and will not knowingly permit the Aircraft Equipment to be used in a manner that is contrary to any Regulatory Laws which, in each case, are applicable to the Beneficiary, the Trustee or the Aircraft Equipment (including any Aircraft Equipment Related Activity relating to the Aircraft Equipment).

(ii) The Beneficiary acknowledges that Regulatory Laws may apply to the Aircraft Equipment even if it is not physically located in the United States.

(iii) The Beneficiary agrees that it will, promptly upon the Trustee's written request, provide to the Trustee any documentation or other evidence that is reasonably required by the Trustee to comply with Regulatory Laws. To the fullest extent permitted by Applicable Law, the Trust Company shall be entitled to rely conclusively on any such documentation and evidence.

(d) Tax Returns and Tax Matters

(i) The Beneficiary shall be responsible for causing to be prepared and filed all tax returns required to be filed by it.

- (ii) The Beneficiary agrees to provide to Trust Company, upon request, all such documents and information necessary to determine whether any tax or withholding obligations apply to any distributions under any Trust Document, including appropriate Internal Revenue Service forms W-9, W-8BEN, or such other applicable form, and such other forms and documents that the Trust Company may request.
- (iii) The Beneficiary acknowledges and agrees that Trustee may be required by any Applicable Law to withhold a portion of any distribution under the GATS Trust Instrument.
- (iv) To the extent that Trustee becomes liable for the payment of any taxes in respect of any payment received by Trustee or income thereon, the Beneficiary shall pay such amounts to Trustee on demand.

6.2 Trust Company and Trustee Representations, Warranties and Covenants

(a) Representations and Warranties of the Trust Company

The Trust Company makes the following representations and warranties in favor of the Beneficiary and, if any, the GATS Secured Party as of the date of the GATS Trust Instrument:

(i) Power and Authority

Each of the Trust Company and the Trustee has the power to enter into, perform and deliver, and has taken all necessary action to authorize its entry into, performance and delivery of each Trust Document to which it is a party.

(ii) Execution and Delivery

Each Trust Document to which the Trust Company or ~~anythe~~ Trustee-Party is a party has been duly executed and delivered by one or more signatories duly authorized to execute and deliver such Trust Document for it or on its behalf, assuming, in each case, the due authorization, execution, and delivery by each party to such Trust Document other than the Trust Company and the Trustee.

(iii) Binding Obligations

The obligations expressed to be assumed by the Trust Company or the Trustee under each Trust Document to which it is a party are legal, valid, binding and enforceable obligations, enforceable against it in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

Each of the representations and warranties given by the Trust Company pursuant to this Paragraph 6.2(a) is deemed to be repeated as of the date of each

Transfer Document to which ~~anythe~~ Trustee-Party is a party, by reference to the facts and circumstances existing at such time.

(b) Performance of Trustee Duties

The Trustee agrees to exercise its rights and perform its obligations and duties under the Related Documents in accordance with the terms thereof.

(c) Title Representation and Warranty

The Trust Company represents and warrants in favor of the Beneficiary that, as of the date of acquisition of any Aircraft Equipment by the Trustee, the Trustee shall have received whatever rights in such Aircraft Equipment that were conveyed to it.

(d) Removal of Trust Company Liens

The Trust Company agrees that it will, and at its own cost or expense (but without any right of indemnity in respect of any such cost or expense under any Trust Document), promptly take such action as may be necessary to duly discharge and satisfy in full all Security Interests on any property forming part of the Trust Estate attributable to it in its individual capacity.

(e) Informational Covenant

The Trustee will furnish to the Beneficiary, promptly upon receipt thereof, duplicates or copies of all reports, notices, requests, demands, certificates, financial statements and other instruments furnished to the Trustee under the Trust Documents, except to the extent to which a responsible officer of the Trustee reasonably believes and notifies the Beneficiary (which notification need not be in writing) that duplicates or copies thereof have already been furnished to the Beneficiary by some other person.

(f) Tax Returns and Tax Matters

The Trustee shall be responsible for keeping all appropriate books and records relating to the receipt and disbursement by the Trustee of monies under any Trust Document. The Trustee shall sign and file all returns with respect to taxes as the Beneficiary may cause to be prepared and direct the Trustee to sign or file. The Trust Company, upon request, will furnish the Beneficiary with all such information as may reasonably be required from the Trustee or the Trust Company in connection with the preparation of such tax returns. The Trustee shall keep copies of all returns delivered to or filed by it.

(g) Limited Purpose

(i) Paragraph 6.2(g)(ii) applies only during the period commencing on the execution of the GATS Security Instrument, if any, until the Security Interest granted thereunder has been released and discharged. During any other period, this Paragraph 6.2(g)(ii) does not apply.

(ii) The Trustee makes the covenants, to the extent not disappplied by the terms thereof, set out in section 4.4 of the Security Instrument Master Terms for the benefit of the Beneficiary and the

GATS Secured Party, as if set out in full in the GATS Trust Instrument.

6.3 This Paragraph 5.6 shall survive the termination of any Trust Document.

7. DISCLAIMERS AND LIMITATION OF LIABILITY

7.1 Disclaimer

NEITHER THE TRUST COMPANY NOR THE TRUSTEE MAKES:

(a) ANY REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED, AS TO THE TITLE, AIRWORTHINESS, VALUE, CONDITION, DESIGN, OPERATION, MERCHANTABILITY OR FITNESS FOR USE FOR A PARTICULAR PURPOSE OF ANY AIRCRAFT EQUIPMENT OR ANY PART THEREOF, AS TO THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE, AS TO THE ABSENCE OF ANY INFRINGEMENT OF ANY PATENT, TRADE OR COPYRIGHT, THE ABSENCE OF ANY STRICT LIABILITY OBLIGATION OR ANY OTHER REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED, WITH RESPECT TO ANY AIRCRAFT EQUIPMENT OR ANY PART THEREOF WHATSOEVER; OR

(b) ANY REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED, AS TO THE VALIDITY, LEGALITY OR ENFORCEABILITY OF ANY TRUST DOCUMENT OR ANY OTHER RELATED DOCUMENT OR AS TO THE CORRECTNESS OF ANY STATEMENT CONTAINED IN ANY PROVISION OF ANY SUCH TRUST DOCUMENT OR ANY SUCH RELATED DOCUMENT,

EXCEPT, IN EACH CASE, TO THE EXTENT EXPRESSLY MADE OR PROVIDED IN ANY TRUST DOCUMENT OR IN ANY RELATED DOCUMENT BY THE TRUST COMPANY OR THE TRUSTEE, AS APPLICABLE.

7.2 Limit of Liability

(a) The Trust Company shall not be answerable or accountable under any circumstances for its or the Trustee's actions or omissions, or liable under any provision of any Trust Document or any Related Document entered into by the Trustee or the Trust Company, except:

- (i) for its own willful misconduct or gross negligence;
- (ii) for liabilities that may result from the inaccuracy of any representation or breach of warranty given by it in its individual capacity in any Trust Document, or from the failure by it in its individual capacity to perform any covenant expressed to be performed by it in its individual capacity in any Trust Document;
- (iii) for taxes, fees or other charges on, based on or measured by any fees, commissions or compensation received by the Trust Company in

connection with the transactions contemplated by any Trust Document;

(iv) for its or the Trustee's failure to use ordinary care in receiving or disbursing funds or in connection with any express obligation to invest funds pursuant to any Trust Document;

(v) for any liability on the part of the Trustee arising out of its failure to comply with the first sentence of Paragraph 6.2(d); or

(vi) as otherwise expressly agreed by the Trust Company in the GATS Trust Instrument or in any other Trust Document to which it is a party.

(b) The Trust Company shall have no obligation to advance its individual funds for any purpose (except as may be required by pursuant to Paragraph 6.2(d)).

7.3 This Paragraph 7 shall survive the termination of any Trust Document.

8. INDEMNIFICATION

8.1 Subject to Paragraph 8.2, the Beneficiary agrees, whether or not any of the transactions contemplated by the GATS Trust Instrument shall be consummated, to assume liability for, and to indemnify, protect, save and keep harmless each Indemnified Person from and against all Losses:

(a) which may be imposed on, incurred by or asserted against in any way relating to or arising out of any Trust Document or any Related Document or the enforcement of any of the terms thereof;

(b) in any way relating to or arising out of any Aircraft Equipment Related Activity;

(c) in any way relating to or arising out of the administration of the Trust Estate, or the Trustee's reliance on any documentation provided by the Beneficiary to the Trustee; and

(d) in any way relating to or arising out of the action or inaction of the Trustee or the Trust Company under any Trust Document,

in each case, whether or not also indemnified against by any Lessee pursuant to any Lease Agreement or also indemnified against by any other person, but only to the extent not otherwise paid or reimbursed by such Lessee or other person; provided that the Beneficiary shall be subrogated to the right of such Indemnified Person against such Lessee or any such other person.

8.2 The Beneficiary shall not be liable to an Indemnified Person as to any Loss:

(a) relating to any internal costs and expenses such as salaries and overhead of such Indemnified Person;

(b) incurred by reason of the Trustee's, the Trust Company's or such Indemnified Person's willful misconduct or gross negligence in the performance or non-performance of its duties under the GATS Trust Instrument;

- (c) resulting from the inaccuracy of any express representation or warranty of the Trust Company (or from the failure of the Trust Company to perform any of its covenants) contained in any Trust Document or any Finance Document to which, in each case, it is a party;
- (d) incurred by reason of the Trustee's, the Trust Company's or any other Indemnified Person's failure to use ordinary care in receiving or disbursing funds or in connection with any express obligation to invest funds pursuant to any Trust Document; or
- (e) in respect of any taxes payable by Trust Company on or measured by any compensation received by Trust Company for its services under the GATS Trust Instrument.

8.3 The indemnities contained in this Paragraph 8:

- (a) extend to the Trust Company and shall not be construed as indemnities in favor of the Trustee or for the benefit of the Trust Estate; and
- (b) shall be in addition to, and not in substitution for, any and all rights of indemnity which the Trust Company is entitled to claim out of the Trust Estate in respect of any claims, actions, suits, costs, expenses, costs or losses suffered by it.

8.4 The indemnities contained in this Paragraph 8 shall survive the termination of any Trust Document, and any resignation or removal of the Trust Company in its capacity as the Trustee.

9. LIABILITY INSURANCE

9.1 In respect of any Aircraft Equipment forming part of the Trust Estate, at all times until two years after the termination of the GATS Trust, the Beneficiary shall:

- (a) ensure that there shall be in effect with respect to such Aircraft Equipment third party legal liability insurance, including passenger liability (if such Aircraft Equipment carries passengers or is installed on other aircraft equipment carrying passengers), in the amounts set forth in and required by any Lease Agreement or Finance Document then in effect with respect to such Aircraft Equipment, and if there is no such lease or mortgage, then in amounts reasonably required by the Trust Company;
- (b) ensure that all such insurance policies shall name each Indemnified Person as additional insureds; and
- (c) deliver to the Trust Company certificates or other evidence satisfactory to the Trust Company showing evidence of all such insurance being in full force and effect prior to or promptly after such Aircraft Equipment becomes part of the Trust Estate and from time to time thereafter upon request by the Trust Company.

9.2 This Paragraph 9 shall survive the termination of any Trust Document.

10. ASSIGNMENTS AND TRANSFER; TRUSTEE APPROVALS

10.1 Assignments and Transfers Generally

- (a) The GATS Trust Instrument shall be binding upon and shall inure to the benefit of, and shall be enforceable by, the parties to the GATS Trust Instrument and, subject to the remaining provisions of this Paragraph 10, their respective successors and permitted assigns.
- (b) Except as expressly permitted under this Paragraph 10, the Beneficiary shall not assign or transfer all or a portion of the Beneficial Interest nor any of its Rights nor Obligations, and any purported such assignment or transfer in violation of this Paragraph 10 shall be null and void.
- (c) Except as expressly permitted under this Paragraph 10 and Paragraph 11, neither the Trustee nor the Trust Company shall assign or transfer all or part of its Trustee Interest (if any) nor any of its Rights nor Obligations, and any purported such assignment or transfer in violation of this Paragraph 10 or Paragraph 11 shall be null and void.

10.2 Permitted Assignments and Transfers of all of the Beneficial Interest

- (a) Subject to Paragraph 10.2(b), the Beneficiary may assign and transfer all of the Beneficial Interest to a New Beneficiary upon the execution and delivery of a Transfer Instrument giving effect to such assignment and transfer.
- (b) The Beneficiary shall not assign or transfer or permit the assignment or transfer of all of the Beneficial Interest:
 - (i) to the extent that the GATS Security Instrument, if any, prohibits it from doing so; or
 - (ii) unless it concurrently assigns and transfers all of its Rights and Obligations to the same New Beneficiary.

10.3 Permitted Assignments and Transfers of a portion of the Beneficial Interest

- (a) Subject to Paragraphs 10.3(b) and 10.3(c), the Beneficiary may assign and transfer, with the consent of the Trustee, one or more Partial Beneficial Interests or the Residual Beneficial Interest to a New Beneficiary upon the execution and delivery of a Transfer Instrument giving effect to such assignment and transfer.
- (b) The Beneficiary shall not assign or transfer or permit the assignment or transfer of any Partial Beneficial Interest or the Residual Beneficial Interest:
 - (i) to the extent that the GATS Security Instrument, if any, prohibits it from doing so;
 - (ii) if any Partial Beneficial Interest is then held by another New Beneficiary; or
 - (iii) pursuant to any Transfer Instrument to which the Trustee is not a party.
- (c) The Beneficiary shall not assign or transfer or permit the assignment or transfer of the Residual Beneficial Interest:

- (i) pursuant to any Transfer Instrument to which the Trustee is a not party; or
- (ii) unless it concurrently assigns and transfers all of its Rights and Obligations to the same New Beneficiary.

10.4 Grant of Security Interest in the Beneficial Interest

The Beneficiary may grant a Security Interest in the Beneficial Interest in favor of any person pursuant to a Security Instrument.

10.5 Trustee Approval of Leases and Certain Transfers

(a) The Beneficiary shall not:

- (i) assign or transfer or permit the assignment or transfer of all or a portion of the Beneficial Interest (other than the grant of a Security Interest pursuant to a Security Instrument); or
- (ii) enter into any Lease Agreement, Lease or permit the Lease of any Aircraft Equipment by the Trustee or any Lessee,

in each case, without the Trustee's prior written consent (which, with respect to a sub-Lease of such Aircraft Equipment, may be given in advance in the relevant Lease Agreement to which ~~any~~the Trustee ~~Party~~ is a party as lessor), such consent not to be unreasonably withheld or delayed.

- (b) To facilitate the Trustee's evaluation of any such assignment, transfer or Lease, the Beneficiary agrees that it will use reasonable efforts to provide the Trustee with any information reasonably requested by the Trustee relating to such assignment, transfer or Lease, the proposed New Beneficiary or Lessee and the ownership of such proposed New Beneficiary or Lessee.

(c) The Trustee's decision to approve or disapprove any proposed assignment, transfer or Lease:

- (i) shall not be deemed to have been unreasonably delayed if the Trustee has not obtained all of the information reasonably required by it to make such decision; and
- (ii) shall not be deemed to have been unreasonably withheld if the Trustee has determined that such proposed assignment, transfer or Lease will or may reasonably be expected to put the Trustee at risk of violating any Regulatory Laws or other Applicable Laws.

10.6 Payment of Expenses on Transfer

Upon the assignment and transfer of all of the Beneficial Interest, a Partial Beneficial Interest, or the Residual Beneficial Interest, the Trust Company may require the Beneficiary, without any right of reimbursement under any Trust Document, to pay or reimburse the Trustee and the Trust Company for the payment of any tax or other charge levied by a Governmental Authority in connection therewith or any charges and expenses connected with such tax or other such charge paid or payable by the Trustee or the Trust Company.

10.7 Assignment and Transfer of Trust Estate

- (a) Any assignment, sale, transfer, grant of a Security Interest in or other conveyance of any Aircraft Equipment or any other property forming part of the Trust Estate by the Trustee made pursuant to and in accordance with the terms of any Trust Document or any Related Document to which ~~any~~the Trustee ~~Party~~ is a party shall bind the Beneficiary and shall be effective to transfer or convey all right, title and interest of the Trustee and the Beneficiary in and to such Aircraft Equipment or such property.
- (b) No assignee, transferee or purchaser of such Aircraft Equipment or such property, and no person in whose favor a Security Interest has been granted in such Aircraft Equipment or such property, shall be required to enquire as to the authorization, necessity, expediency or regularity of such assignment, sale, transfer, grant of a Security Interest in or other conveyance or as to the application of any sale or other proceeds with respect thereof by the Trustee.
- (c) The parties agree that any such assignment, sale, transfer, grant of a Security Interest or other conveyance or attempted assignment, sale, transfer, grant of a Security Interest or other conveyance shall be subject to the terms of the GATS Security Instrument, if any.

11. SUCCESSOR TRUSTEES

The Trustee shall not resign or be removed and no New Trustee shall be appointed other than in accordance with this Paragraph 11.

11.1 Resignation and Removal of Trustee

- (a) The Trustee may resign at any time:
 - (i) during any Off-Lease Period;
 - (ii) if it is required to do so under any Regulatory Laws or under any other mandatory Applicable Laws, or pursuant to the FAA Related Terms (if applicable);
 - (iii) if the Beneficiary has breached the terms of any Trust Document to which the Beneficiary is a party in any material respect (it being understood that the following shall be deemed to be material for the purposes of this Paragraph 11.1(a)(iii): (A) the non-payment of any overdue fees or other amounts owed to the Trust Company, and (B) failure by the Beneficiary to satisfy or comply with any of its obligations under Paragraph 6.1(c), 8 or 9;
 - (iv) the Beneficiary fails to respond within a reasonable time following a request in writing from the Trustee relating to any matter material to any transaction contemplated under any Trust Document or Related Document (it being understood that failure by the Beneficiary to respond to a request pursuant to, and otherwise comply with its obligations under the first sentence of Paragraph 6.1(c)(iii) shall be deemed

to be material for the purposes of this Paragraph 11.1(a)(iv)); or

- (v) to the extent permitted by the FAA Related Terms (if applicable), with the consent of the Beneficiary,

in each case upon giving the Required Notice (or such shorter notice period as the Beneficiary and the Trustee may agree) in writing to the Beneficiary of such resignation. The Trustee shall otherwise not be entitled to resign and any purported resignation by the Trustee in violation of this 11.1(a) shall be null and void.

- (b) Subject to compliance with the FAA Related Terms (if applicable), the Beneficiary may remove the Trustee at any time upon giving the Required Notice (or such shorter notice period as the Beneficiary and the Trustee may agree) in writing to the Trustee of such removal.
- (c) No resignation or removal of the Trustee shall take effect unless and until a New Trustee shall have been appointed in accordance with Paragraph 11.2(b), or an interim New Trustee shall have been appointed in accordance with Paragraph 11.3.

11.2 Appointment of New Trustee

Except as provided in Paragraph 11.3, no appointment of a New Trustee shall take effect unless:

- (a) the resignation or removal of the Trustee and the appointment of the New Trustee complies with the FAA Related Terms (if applicable) and any requirements specified in any GATS Security Instrument;
- (b) the New Trust Company is reasonably acceptable to the Beneficiary and, if any, the GATS Secured Party (having regard to its tangible net worth and jurisdiction of incorporation, formation or organization); and
- (c) effected pursuant to the execution and delivery of a Transfer Instrument.

11.3 Court Appointed New Trustee

If no New Trustee has been appointed in accordance with Paragraph 11.2 upon the expiry of the Required Notice, the Trustee or the Beneficiary may apply to any court of competent jurisdiction to appoint an interim New Trustee to act until such time, if any, as another New Trustee shall have been appointed and accepted its appointment as provided in Paragraph 11.1(c) above, and all fees, costs, and expenses incurred by the Trustee or the interim New Trustee in connection with such action shall be subject to reimbursement as set forth in Paragraph 6.1(a). Any such interim New Trustee so appointed by such court shall immediately and without further act be superseded by any such other New Trustee appointed as above provided within one year from the date of the appointment by such court.

11.4 Merger

Any person into which the Trust Company may be merged or converted or with which it may be consolidated, or any person resulting from any merger, conversion or consolidation to which the Trust Company shall be a party, or any person to which substantially all the corporate trust business of Trust Company may be transferred, shall, subject to compliance with the FAA Related Terms (if applicable), be appointed as New Trustee and the Trustee removed without further act.

12. AMENDMENTS

12.1 Amendments

- (a) Neither the GATS Trust Instrument nor any other Trust Document may be amended, modified or otherwise altered except by, subject to Paragraph 12.1(b):
 - (i) an amendment effected pursuant to, or to the extent permitted or contemplated by, the express terms of another Trust Document or a Finance Document; or
 - (ii) an amendment effected pursuant to a written instrument executed by the Trustee, the Beneficiary, the Trust Company and, if any, the GATS Secured Party.
- (b) No amendment to the GATS Trust Instrument nor any other Trust Document shall take effect without the written consent of the GATS Secured Party, if any.

12.2 Waivers

Any provision of the GATS Trust Instrument or any other Trust Document may be waived by the Secured Party in a written notice or instrument executed by the Secured Party and delivered to the Beneficiary and the Trustee in accordance with Paragraph 14.2.

13. TERMINATION

13.1 Termination of the GATS Trust

- (a) Subject to Paragraph 13.1(b) below, the GATS Trust Instrument and the GATS Trust shall terminate on the Termination Date.
- (b) No termination of the GATS Trust Instrument or the GATS Trust shall take effect without the written consent of the GATS Secured Party, if any.
- (c) Until the Termination Date, the GATS Trust Instrument and the GATS Trust shall continue in full force and effect in accordance with the terms of the Trust Documents.

13.2 Distribution of Trust Estate upon Termination

Upon any termination of the GATS Trust the Trustee shall assign and transfer to the Beneficiary or its nominee all of its right, title and interest in and to the Trust Estate.

14. MISCELLANEOUS

14.1 Beneficiary Has No Legal Title in Trust Estate

The Beneficiary has no legal title to any part of the Trust Estate. No transfer, by operation of law or otherwise, of the Beneficial Interest shall, in and of itself:

- (a) operate to terminate the GATS Trust Instrument or the GATS Trust; or
- (b) entitle any successors or transferees of the Beneficiary to the transfer of legal title to any part of the Trust Estate.

14.2 Notices

Unless otherwise expressly provided in the GATS Trust Instrument, all notices, demands and other communications under the GATS Trust Instrument shall be in writing and shall be delivered personally or sent by facsimile transmission or electronic mail, with a confirming copy sent by airmail, postage prepaid, and the date of personal delivery or facsimile transmission, as the case may be, shall be the date of such notice, in each case addressed:

- (a) if to the Trustee or the Trust Company, to the address, facsimile or email specified in the corresponding boxes under 'Trustee' in schedule 2 (*Parties and Notice Details*) to the GATS Trust Instrument or as identified in the relevant Transfer Instrument pursuant to which it became the 'Trustee' and the 'Trust Company', as applicable, in each case as updated from time to time pursuant to a written notice delivered to the other party (with a copy to the GATS Secured Party, if any); and
- (b) if to the Beneficiary, to the address, facsimile or email specified in the corresponding boxes under 'Beneficiary' in schedule 2 (*Parties and Notice Details*) to the GATS Trust Instrument or as identified in the Transfer Instrument pursuant to which it became the 'Beneficiary', as applicable, in each case as updated from time to time pursuant to a written notice delivered to the other party (with a copy to the GATS Secured Party, if any); ~~and~~.

Each such notice, demand, or other communication shall be effective when received or, if made by facsimile, when confirmed, or otherwise, when delivered to the address specified above.

14.3 Severability

If any provision of the GATS Trust Instrument or any other Trust Document shall be held invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions of the GATS Trust Instrument or such other Trust Document shall continue to be fully effective, provided that such remaining provisions do not increase the obligations or liabilities of the Trustee or the Trust Company.

14.4 Headings; References

The headings and the table of contents used in the GATS Trust Instrument and each other Trust Document are for convenience of reference only and shall not define or limit any of the terms or provisions of such Trust Document and shall not in

any way affect the construction of, or be taken into consideration in interpreting, such Trust Document.

14.5 Force Majeure

Neither the Trustee nor the Trust Company shall be responsible or liable to the Beneficiary, any Lessee or any other person under any Trust Document for failure or delay in performance of any Trust Document due to any war, fire, accident or other casualty, or any labor disturbance or act of God or the public enemy, or any other contingency beyond Trustee's or the Trust Company's reasonable control.

14.6 Tax Treatment

To the extent that any provision of the GATS Trust Instrument results in any applicable Governmental Authority determining that the GATS Trust is not a transparent entity for tax purposes, then for such purposes only such provision shall be disregarded and have no legal effect.

14.7 [Intentionally Omitted]

14.8 Nature of Beneficial Interest

Neither the Beneficial Interest, the Trustee Interest (if any), nor any part thereof nor any interest therein, nor any Rights nor Obligations shall constitute a "security" within the meaning of Article 8 of the UCC.

14.9 Third Party Beneficiaries

- (a) The GATS Secured Party (if any) may enforce the rights (including the consent rights) expressed to be conferred on it under any Trust Document, but shall not be a beneficiary of the GATS Trust or have any interest in the Beneficial Interest (except to the extent of the Security Interest granted or assigned and transferred to it pursuant to the GATS Security Instrument).
- (b) Each Indemnified Person may enforce the rights expressed to be conferred on it under the GATS Trust Instrument, but shall not be a beneficiary of the GATS Trust or have any interest in the Beneficial Interest. No consent of any Indemnified Person (other than the Trust Company) shall be necessary for any amendment, modification, waiver or termination of any provision of the GATS Trust Instrument.
- (c) Except as expressly provided in this Paragraph 14.9, nothing in any Trust Document, whether express or implied, shall be construed to give any person other than the parties to a Trust Document any legal or equitable right, remedy or claim under or in respect of such Trust Document, and each Trust Document shall be held to be for the sole and exclusive benefit of the parties to it.

15. JURISDICTION

15.1 [Intentionally Omitted]

15.2 Jurisdiction

- (a) Each of the parties to each Trust Document:
 - (i) agrees that the Relevant Courts shall have jurisdiction to hear and determine any suit,

action or proceeding, and to settle any disputes, which may arise out of or in connection with any Trust Document and, for such purposes, submits to the jurisdiction of such courts; and

- (ii) waives any objection which it might now or hereafter have to the Relevant Courts being nominated as the forum to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise out of or in connection with any Trust Document and agrees not to claim that any such court is not a convenient or appropriate forum.
- (b) Each of the parties to each Trust Document agrees that the process by which any suit, action or proceeding is begun may be served on it by being delivered in connection with any suit, action or proceeding in any Relevant Court, and consents to receive any such service of process directly at the address determined for such party pursuant to Paragraph 14.2.
- (c) Nothing in this Paragraph 15.2 or any Trust Document will affect the right of any party to such Trust Document to serve process in any other manner permitted by law.

15.3 Waiver of Immunities

- (a) Each of the parties to each Trust Document irrevocably waives and agrees not to plead or claim, to the fullest extent permitted by law, with respect to itself, its revenues, its assets (irrespective of their use or intended use) and its obligations under any Trust Document, all immunity on the grounds of sovereignty or otherwise from:
 - (i) suit, legal action or proceeding;
 - (ii) jurisdiction of any court;
 - (iii) relief by way of injunction or order for specific performance or recovery of property;
 - (iv) attachment of its assets (whether before or after judgment);
 - (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any immunity in any such proceedings); and
 - (vi) service of process, notice or any other legal process.
- (b) Each of the parties to each Trust Document agrees that the waivers set out in this Paragraph 15.3 are effective to the fullest extent permitted under the U.S. Foreign Sovereign Immunities Act of 1976 (28 U.S.C. Sections 1602 to 1611, as amended), and are intended to be irrevocable and not subject to withdrawal for purposes of such Act.

APPENDIX B FAA Related Terms

* * *

1. APPLICABILITY

~~This~~The terms in this Appendix B (~~these~~ FAA Related Terms) shall apply at all times during any FAA Registration Period, provided, however, that this Appendix B shall not apply at all other times except as expressly stated in ~~this Appendix B~~these FAA Related Terms.

2. DEFINITIONS

~~In this Appendix:~~

Unless otherwise defined in these FAA Related Terms, capitalized terms used in these FAA Related Terms have the meaning given to them in the GATS Trust Instrument (including those incorporated by reference to the Master Terms). In these FAA Related Terms:

Affidavit means any affidavit of citizenship required to be given by the Trustee pursuant to Section 47.7(c)(2)(iii) of the FAA Regulations, each in form and substance acceptable to the FAA.

Aircraft Equipment Contact means the Aircraft Equipment Operator or any other person to whom the FAA may look to gather information related to crew members for any FAA Registered Aircraft Equipment, such FAA Registered Aircraft Equipment's operations on specific dates, the location of such FAA Registered Aircraft Equipment, and maintenance and other aircraft records for such FAA Registered Aircraft Equipment.

Aircraft Equipment Operator means the person ~~or entity~~ normally operating, or maintaining the operations of the FAA Registered Aircraft Equipment.

Aircraft Equipment Related Information means:

- (a) the identity and contact information (address, phone number, email) of the Aircraft Equipment Operator and any other relevant Aircraft Equipment Contact;
- (b) where each such Aircraft Equipment Contact resides or is incorporated and has its principal place of business;
- (c) the location of the Aircraft Equipment Documents associated with the FAA Registered Aircraft Equipment; and
- (d) information relating to where the FAA Registered Aircraft Equipment is normally maintained, based and operated; and.

~~(e) — any other information by the FAA.~~

Citizen of the United States means a 'Citizen of the United States' within the meaning of Section 40102(a)(15) of the Transportation Code, as interpreted by the United States Department of Transportation, or any similar

legislation of the United States enacted in substitution for or replacement of such legislation.

FAA Aircraft Registration Application means AC Form 8050-1 Aircraft Registration Application as completed and fully executed by the Trustee covering any Aircraft Equipment that would, upon registration with the civil aircraft ~~register~~registry maintained by the FAA, become an FAA Registered Aircraft Equipment ~~(as defined in the FAA Related Terms).~~

FAA Bill of Sale means an AC Form 8050-2 Bill of Sale for the FAA Registered Aircraft Equipment from the Beneficiary or the current owner of the FAA Registered Aircraft Equipment to the Trustee.

FAA Registered Aircraft Equipment means the Aircraft Equipment registered in the name of ~~any the~~ Trustee ~~Party~~ with the civil aircraft ~~register~~registry maintained by the FAA, including any engines and parts and Aircraft Equipment Documents forming part of such Aircraft Equipment (whether or not installed thereon).

FAA Regulations means Title 14 of the Code of Federal Regulations.

FAA Trust Policy means (a) the Notice of Proposed Policy Clarification for the Registration of Aircraft to U.S. Citizen Trustees in Situations involving Non-U.S. Citizen Trustees and Beneficiaries (published in the Federal Register on February 9, 2012 (77 ~~FR~~Fed. Reg. 6694)) and (b) the Notice of Policy Clarification for the Registration of Aircraft to U.S. Citizen Trustees in Situations involving Non-U.S. Citizen Trustees and Beneficiaries (published in the Federal Register on June 18, 2013 (78 ~~FR~~Fed. Reg. 36412)), as each may be modified, amended or supplemented from time to time and as may be further enforced or interpreted by the FAA.

GATS Trust Instrument means the GATS trust instrument to which these FAA Related Terms are attached as Appendix B.

Master Terms means the Trust Instrument Master Terms attached as Appendix A (Master Terms) to the GATS Trust Instrument.

Operating Agreement means any agreement (including a Lease) that transfers the right to possess, use and operate the FAA Registered Aircraft Equipment from ~~any the~~ Trustee ~~Party~~ to the Beneficiary.

Regulatory Duties means all delegable and non-delegable regulatory compliance duties and obligations (including operational requirements, aircraft maintenance requirements or any other requirements under the Transportation Code, the FAA Regulations and any other law of the United States) as aircraft owner under the FAA Regulations.

Relevant Non-US Person means any person who:

- (a) is neither a Citizen of the United States nor, in the case of an individual, a resident alien; and
- (b) has the power to direct or remove the Trustee, either directly or indirectly through the control of another person.

Transaction Documents means the GATS Trust Instrument, each FAA Bill of Sale, each Warranty Bill of Sale, each Operating Agreement, each Lease, and any documents pertaining to and relating to any of the foregoing.

Transportation Code means Part A of Subtitle VII of Title 49, of the United States Code.

Warranty Bill of Sale means a full warranty bill of sale for the FAA Registered Aircraft Equipment, executed by the Beneficiary or the current owner of the FAA Registered Aircraft Equipment in favor of ~~anythe~~ Trustee ~~Party~~ and specifically referring to each engine installed on the FAA Registered Aircraft Equipment at the effective time of such bill of sale.

3. PRIORITY

- 3.1 In creating and accepting the GATS Trust, the Beneficiary and the Trustee each acknowledges that in case of conflict, the provisions of these FAA Related Terms are paramount and superior to any other terms and conditions in these Master Terms, the GATS Trust Instrument, any other Trust Document, any Related Document or in any other document or documents to which ~~anythe~~ Trustee ~~Party~~ or the Beneficiary is a party, including under any Lease Agreement. It is understood and agreed by the parties to the GATS Trust Instrument that nothing in the GATS Trust Instrument shall relieve any of the Beneficiary, ~~anythe~~ Trustee ~~Party~~ or any other person of any obligation to comply with any law rule or regulation of any Governmental Authority with respect to the ownership and operation of the FAA Registered Aircraft Equipment.

3.2 Pursuant to and in accordance with FAA Trust Policy, each of the Trustee and the Beneficiary acknowledges that no owner of FAA Registered Aircraft Equipment may avoid a regulatory obligation imposed on it by the FAA by entering into an agreement with another person.

3.3 The rights of any Secured Party (including any GATS Secured Party) under the GATS Trust Instrument, any other Trust Document, and under the relevant Security Instrument or relevant GATS Security Instrument, as applicable, are at all times subject to the control limitations of Paragraph 8 to the extent described therein.

4. ADDITIONAL DOCUMENTS

Each Operating Agreement shall constitute a 'Lease'. Each Affidavit shall constitute a 'Trust Document'. Each Transaction Document (other than the GATS Trust Instrument) shall constitute a 'Related Document'.

5. ADDITIONAL BENEFICIARY COVENANTS

The Beneficiary covenants and agrees, at all times during any FAA Registration Period, and without

prejudice to the Beneficiary's covenants specified in Paragraph 6.1 of the Master Terms:

- 5.1 that it has reviewed the FAA Trust Policy and will provide the Trustee and the FAA with the information required by the FAA Trust Policy;

- 5.2 upon request by the FAA, to provide the Trustee and the FAA with any Aircraft Equipment Related Information in an expeditious manner (generally within two Business Days of the request or immediately in an emergency identified by the FAA), ~~but only to the extent that (a) the FAA is legally entitled to receive such information from an owner or operator of aircraft equipment of the same type as that which is the subject of such request, and (b) the Beneficiary has such information or actually receives such information from the operator or from any other source(s);~~

5.3 upon request by the FAA, to:

- (a) provide the Trustee and the FAA with the following information in an expeditious manner:

- (i) in addition to any Aircraft Equipment Related Information, any other information about the operator, crew (names and pilot certificate numbers) and aircraft operations on specific dates;

- (ii) information about where the FAA Registered Aircraft Equipment will be on a specific date in the future; and

- (iii) any other information requested by the FAA.

- (b) immediately forward all applicable FAA airworthiness directives to the Beneficiary and the Lessee under each Lease Agreement entered into between the Trustee and such Lessee by the most expeditious means available (generally within five Business Days of the request or immediately in an emergency identified by the FAA);

- (c) notify the FAA by the most expeditious means available of the Trustee's resignation or removal under Paragraph 11 of the Master Terms or termination of the GATS Trust Instrument pursuant to Paragraph 13 of the Master Terms; and

- (d) permit the inspection of any FAA Registered Aircraft Equipment by the FAA, other United States government entity or duly authorized representatives of the FAA of such government entity in an expeditious manner (generally within five Business Days of the request or immediately in an emergency identified by the FAA or such government entity entitled to inspect such FAA Registered Aircraft Equipment,

in each case, generally within five Business Days of the request or immediately in an emergency identified by the FAA.

- ~~5.3~~ 5.4 in connection with any assignment or transfer of the all or a portion of the Beneficial Interest pursuant to a Transfer Instrument or otherwise (other than an assignment as security pursuant to a Security Instrument);

- (a) to provide the Trustee with the identity and contact information ~~of the -New -Beneficiary;~~ and
- (b) to update the operator information provided pursuant to Paragraphs 5.5 and 5.6 to the extent the Beneficiary has such information or actually receives such information from the operator or from any other source;

~~5.4~~5.5 to provide as expeditiously as possible to the Trustee, in response to a written request by the Trustee, the identity and contact information for the operator of any FAA Registered Aircraft Equipment under any Lease with the Beneficiary or any Lessee, whether or not at the Beneficiary's direction; and

~~5.5~~5.6 to require that any Lease Agreement transferring possession and operational control of the any FAA Registered Aircraft Equipment provides for the following or contains similar provisions having the same effect:

- (a) that all further transfers of the rights to possession and operational control of such FAA Registered Aircraft Equipment to a transferee must be in writing;
- (b) the identity and contact information of the transferee;
- (c) the transferee's assurance that if and when the transferee is notified that the Trustee has made a request, to promptly provide information relating to any crewmembers of such FAA Registered Aircraft Equipment, the operations of such FAA Registered Aircraft Equipment on specific dates, its location, and the maintenance and other aircraft records for such FAA Registered Aircraft Equipment; ~~and~~
- (d) that each such further transferee or operator:
 - (i) shall provide its reasonable cooperation to the Trustee, the Beneficiary and the FAA in an expeditious manner with respect to any request from the FAA or other applicable government entity for information and access to records of such FAA Registered Aircraft Equipment which it is legally entitled to receive;
 - (ii) shall authorize the FAA or any other duly authorized representatives of the Aviation Authority where it is habitually based or operated to inspect the Aircraft, upon any request ~~which -the -FAA -or -such -other~~ Aviation Authority and only to the extent that the FAA or such other Aviation Authority is legally entitled to make under law applicable to such transferee or operator of such Aircraft Equipment; and
 - (iii) agrees that the above-referenced information and inspection requirements will be made and agreed in all subsequent or downstream agreements for the Lease of such FAA Registered Aircraft Equipment by the relevant counterparty to any such subsequent or downstream agreement; ~~and~~

5.7 if at any time:

- (i) it enters into a GATS Security Instrument in connection with the commencement of an FAA Registration Period, it shall file such GATS Security Instrument with the FAA in connection with its application to commence the FAA Registration Period; or
- (ii) it enters into a GATS Security Instrument after the commencement of an FAA Registration Period, it shall file such GATS Security Instrument with the FAA promptly after it taking effect; or
- (iii) it has entered into a GATS Security Instrument prior to the commencement of an FAA Registration Period and the Security Interest granted thereunder has not been released and discharged, it shall file such GATS Security Instrument with the FAA in connection with its application to commence such FAA Registration Period.

6. ADDITIONAL TRUSTEE COVENANTS

6.1 The Trust Company agrees that, at all times during any FAA Registration Period:

- (a) The Trust Company is and shall continue to be a Citizen of the United States; and
- (b) it shall immediately notify the Beneficiary upon any officer of the Trust Company becoming aware of the Trust Company ceasing to be, or that it will cease to be, a Citizen of the United States.

6.2 The Beneficiary authorizes and directs the Trustee, and the Trustee covenants and agrees to:

- (a) effect the registration of any Aircraft Equipment with the FAA in the name of ~~anythe~~ Trustee ~~Party~~ by duly executing and filing or causing to be filed with the FAA, with respect to such Aircraft Equipment (i) an FAA Aircraft Registration Application, (ii) an Affidavit, (iii) an FAA Bill of Sale, (iv) an executed counterpart of the GATS Trust Instrument (including, at the request of the Beneficiary a manually executed duplicate thereof), and (v) any other document or instrument required for such registration including any Transaction Document or any Operating Agreement, except that the Trustee may request that any such Operating Agreement not be filed with the FAA, but only reviewed and returned;
- (b) upon request by the FAA, and with the cooperation of the Beneficiary, provide the FAA with any Aircraft Equipment Related Information in an expeditious manner (generally within two Business Days of the request or immediately in an emergency identified by the FAA), ~~but only to the extent that (i) the FAA is legally entitled to receive such information from an owner or operator of aircraft equipment of the same type as that which is the subject of such request, and (ii) the Trustee has such information or actually receives such information from the operator or from any other source;];~~
- (c) upon request by the FAA, and with the cooperation of the Beneficiary,;

~~(e)~~ provide the FAA with the following information in an expeditious manner (generally within five Business Days of the request or immediately in an emergency identified by the FAA):

~~(i)~~ (A) in addition to any Aircraft Equipment Related Information, any other information about the operator, crew (names and pilot certificate numbers) and aircraft operations on specific dates;

~~(ii)~~ (B) information about where the FAA Registered Aircraft Equipment will be on a specific date in the future;

~~(iii)(i) the Aircraft Equipment Documents relating to the, and (C) any other information requested by the FAA Registered Aircraft Equipment;~~

~~(iv)(ii)~~ to immediately forward all applicable FAA airworthiness directives to the Beneficiary and the Lessee under each Lease Agreement entered into between ~~any~~the Trustee ~~Party~~ and such Lessee by the most expeditious means available; and

~~(v)(iii)~~ to notify the FAA by the most expeditious means available of the Trustee's resignation or removal under Paragraph 11 of the Master Terms or termination of the GATS Trust Instrument pursuant to Paragraph 13 of the Master Terms; and

~~(iv)~~ to permit the inspection of any FAA Registered Aircraft Equipment by the FAA, other United States government entity or duly authorized representatives of the FAA of such government entity ~~when~~in an ~~appropriate~~expeditious manner.

in each case, generally within five Business Days of the request is made or immediately in an emergency identified by the FAA or such government entity entitled to inspect such FAA Registered Aircraft Equipment.

6.3 Upon any termination of the GATS Trust the Trustee agrees, as trustee or, as applicable, on behalf of the GATS Trust, to execute and deliver to the Beneficiary an FAA Bill of Sale conveying title to the Aircraft Equipment to the Beneficiary or its nominee and registering such sale as a contract of sale on the International Registry.

6.4 Paragraph 6.2(a) (but only such Paragraph) shall not be limited to the FAA Registration Period and shall apply at all times before, during and after any FAA Registration Period.

7. SUCCESSOR TRUSTEES

7.1 For purposes of this Paragraph 7 only, **for cause** may include willful misconduct or gross negligence, but does not include the refusal of the Trustee to act or refrain from acting in a manner that (i) would violate the laws, regulations, court orders, or lawful directions of a Governmental Authority; (ii) is outside the scope of the Trustee's authority; (iii) is contrary to its obligations under the GATS Trust Instrument;

or (iv) is the subject of a mere disagreement between the Trustee and Beneficiary.

7.2 The Trustee shall:

(a) resign upon obtaining actual knowledge of any facts that would cast doubt upon its continuing status as a Citizen of the United States; and

(b) shall be entitled to resign upon the failure by the Beneficiary to comply with FAA Trust Policy.

7.3 If, at the effective time of any proposed removal, the Beneficiary is not a Citizen of United States, the Beneficiary shall not be entitled to remove the Trustee pursuant to Paragraph 11.1(b) of the Master Terms unless:

(a) such removal is for cause only;

(b) such removal is effected by an applicable Transfer Instrument executed (including electronically or digitally) by an authorized person or persons on behalf of the Beneficiary; and

(c) at the effective time of removal, all Relevant Non-US Persons, together, have no more than twenty five percent of the aggregate power to direct or remove the Trustee.

7.4 No New Trustee may be appointed pursuant to Paragraph 11.2 or 11.3 of the Master Terms unless:

(a) the New Trust Company is a Citizen of the United States; and

(b) concurrently with its appointment, the FAA Registered Aircraft Equipment is re-registered in the name of such New Trustee.

8. CONTROL LIMITATIONS

8.1 Purpose

The purpose of this Paragraph ~~6.38~~ is to assure that:

(a) the FAA Registered Aircraft Equipment shall be controlled with respect to such matters as are described in this Paragraph ~~7.18~~ by a Citizen of the United States;

(b) neither the Beneficiary nor any Secured Party shall have ~~no any~~ power to influence or control the exercise of the Trustee's authority with respect to such matters; and

(c) the Trustee shall be able to provide an Affidavit.

These FAA Related Terms shall be construed in furtherance of the foregoing purpose.

8.2 General

Notwithstanding anything to the contrary in ~~this~~the GATS Trust Instrument, any other Trust Document or any Security Instrument, each of the Trustee and the Beneficiary agrees that Relevant Non-US Persons shall, together, have no more than twenty five percent of the aggregate power to direct or remove the Trustee.

8.3 Limitations on Control

(a) The remainder of this Paragraph 8.3 applies at all times during which neither the Beneficiary nor the

Secured Party, if any, is ~~not~~ a Citizen of the United States. At all other times the remainder of this Paragraph 8.3 does not apply.

(b) Notwithstanding any other provision of ~~this~~the GATS Trust Instrument, but subject to this Paragraph 8.3, neither the Beneficiary nor any Secured Party will have ~~no~~any rights or powers to direct, influence or control the Trustee in the performance of the Trustee's duties ~~under this~~(including all Regulatory Duties) under the GATS Trust Instrument, including matters involving the ownership and operation of the FAA Registered Aircraft Equipment.

(c) The Trustee shall exercise its duties ~~under this~~(including all Regulatory Duties) under the GATS Trust Instrument in connection with matters involving the ownership and operation of the FAA Registered Aircraft, as trustee of the GATS Trust, in its discretion, which it shall deem necessary to protect the interests of the United States, notwithstanding any countervailing interest of any foreign power which, or whose citizens, may have a direct or indirect interest in the Beneficiary or any Secured Party and any such action by the Trustee shall not be considered malfeasance or in breach of any obligation which the Trustee might otherwise have to the Beneficiary or to any Secured Party; provided, however, that subject to the foregoing limitations, the Trustee shall exercise this discretion in all matters arising under ~~this~~the GATS Trust Instrument, including the ownership and operation of the FAA Registered Aircraft Equipment with due regard for the interests of the Beneficiary and any Secured Party.

(d) In exercising any of its rights and duties under ~~this~~the GATS Trust Instrument in connection with matters which may arise not relating to the ownership and operation of the FAA Registered Aircraft Equipment, but subject to the terms of any Security Instrument and any applicable Related Document or Finance Document, the Trustee shall be permitted to seek the advice of the Beneficiary (and, if applicable, any Secured Party) before taking, or refraining from taking, any action with respect thereto.

(e) To the extent that the Trustee takes any action or inaction as trustee or, if applicable, on behalf of the GATS Trust in accordance with any written instruction and/or advice of the Beneficiary or any Secured Party given or in exercising its discretion under this Paragraph 8.3, such action or inaction shall not be deemed to be gross negligence or willful misconduct.

(f) ~~The~~Except to the extent provided otherwise pursuant to the terms of any Security Instrument or any applicable Related Document or Finance Document, the Trustee shall notify the Beneficiary and any Secured Party of its exercise of rights and duties under ~~this~~the GATS Trust Instrument in connection with matters involving the ownership and operation of the FAA Registered Aircraft Equipment.

8.4 Certain Exceptions

Subject to the requirements, if applicable, of the preceding Paragraph 8.3, and the terms of any Security Instrument or any applicable Related Document or Finance Document, the Trustee agrees that it will not, nor cause the GATS Trust to, without the prior written consent of the Secured Party (or if there is no Secured Party, the Beneficiary), sell, mortgage, pledge or otherwise dispose of the FAA Registered Aircraft Equipment or other property forming part of the Trust Estate relating thereto or amend any Related Document to which ~~any~~the Trustee ~~Party~~ is a party (other than a document over which the Trustee has the absolute and complete discretion established under these FAA Related Terms) or give any consents under any such Related Document except as otherwise expressly provided for in any Trust Document or any such Related Document.

9. LIMITATION OF LIABILITY

9.1 This Paragraph 9 applies notwithstanding anything to the contrary in Paragraph 7 of the Master Terms.

9.2 Except as may otherwise be provided in any other Trust Document or any Related Document to which, in each case, the Trust Company is a party, under no circumstances shall the Trust Company:

(a) have any liability under this Paragraph 9 except to the extent, and solely to the extent, that any failure to comply with any provision of this Paragraph 9 is solely attributable to the gross negligence or willful misconduct of the Trust Company or the Trustee;

(b) be liable to the Beneficiary to comply with the requirements of this Paragraph 9 or any other provision of this Agreement is caused by or is otherwise attributable to any action or inaction of any other person (including the Beneficiary); and

(c) except as provided in sub-paragraph (a) of this Paragraph 9.2, be liable to any person (other than the Beneficiary as expressly provided in this Paragraph 9) for any breach of, or failure to comply with, the terms of this this Paragraph 9.



GATS

Global Aircraft Trading System

GATS Security Instrument

US TRUST BRANCH
relating to the Beneficial Interest in a
GATS Trust

(TRANSITIONAL FORM)

Trust Branch:	United States (XX)
Trust UIN:	[#####] ¹
Name of Trust:	GATS Trust [#####]
Date:	[dd-mmm-yyyy]

* * *

¹ GATS Trust numbers will be pre-assigned during the transitional period. Please go to <http://awg.aero/projects/gats/> for further details.

THIS GATS SECURITY INSTRUMENT is dated as of [date] (this **Instrument**)

BETWEEN

- (1) the BENEFICIARY;
- (2) the SECURED PARTY from time to time, acting in the capacity as indicated in Schedule 2 (*Parties and Notice Details*); and
- (3) the TRUSTEE.

IT IS AGREED AS FOLLOWS:

1. DEFINITIONS

Unless otherwise defined in this Instrument, capitalized terms used in this Instrument have the meaning given to them in the Master Terms. In this Instrument, unless the contrary intention appears:

Beneficiary means the person identified as the 'Beneficiary' in Schedule 2 (*Parties and Notice Details*).

Collateral means, collectively, all of the following property now owned or at any time hereafter acquired by the Beneficiary or in which the Beneficiary now has or at any time in the future may acquire any right, title or interest:

- (a) the Pledged Beneficial Interest;
- (b) the Beneficiary's Rights;
- (c) all interest, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any of or all the Pledged Beneficial Interest;
- (d) all certificates or other instruments or documents representing any of the foregoing; and
- (e) all proceeds and products of any of the foregoing and any property of any character whatsoever into which any of the foregoing may be converted.

GATS Trust means the trust created pursuant to the GATS Trust Instrument or the Previous Trust Instrument (as defined in the GATS Trust Instrument), as applicable, with the name and UIN as identified in Schedule 1 (*Description of GATS Trust*).

GATS Trust Instrument means the GATS Trust Instrument relating to the GATS Trust between the Beneficiary and the Trustee, as trustee and as the Trust Company.

Master Terms means the Security Instrument Master Terms attached as Appendix A to this Instrument.

Original Secured Party means the person identified as the Original Secured Party in Schedule 2 (*Parties and Notice Details*).

Pledged Beneficial Interest means all of the Beneficiary's right, title and interest in and to the Trust Estate from time to time.

Principal Borrower Party means the person identified as the 'Principal Borrower Party' in Table 1 of Schedule 3 (*Specific Information*) in the description of the Principal Finance Document.

Principal Finance Document means the finance document described in Table 1 of Schedule 3 (*Specific Information*) as the 'Principal Finance Document'.

Principal Security Agreement means the security agreement, if any, described in Table 2 of Schedule 3 (*Specific Information*) as the 'Principal Security Agreement'.

Priority of Payments Provisions means the priority of payments provisions of the Principal Finance Document or the Principal Security Agreement described in Table 3 of Schedule 3 (*Specific Information*) as the 'Priority of Payment Provisions'.

Secured Obligations means:

- (a) the 'Secured Obligations' or such other term having equivalent meaning as defined in the Principal Security Agreement (whether defined by cross reference to another document or otherwise); or
- (b) if such term is not so defined, all obligations that are expressed to be secured by the Security Interest granted pursuant to the Principal Security Agreement; or
- (c) if there is no Principal Security Agreement, all Liabilities of each Borrower Party to each Finance Party under the Finance Documents to which such Borrower Party is from time to time a party.

Secured Party means the Original Secured Party for so long as such person has not ceased to be the

Secured Party in accordance with Section 7.3 of the Master Terms, or the person from time to time who has become the Secured Party after the date of this Instrument pursuant to and in accordance with Section 7.3 of the Master Terms, in each case, acting in the capacity as indicated in Schedule 2 (*Parties and Notice Details*) or the instrument pursuant to which such person became the 'Secured Party'.

Trustee means the person identified as the 'Trustee' in Schedule 2 (*Parties and Notice Details*).

UIN means the unique identification number assigned to the GATS Trust by the Global Aircraft Trading System.

2. INCORPORATION OF MASTER TERMS

The Master Terms are incorporated into and apply to this Instrument in their entirety and without amendment or modification.

3. GRANT OF SECURITY INTEREST; COVENANT TO PAY

3.1 Grant of Security Interest

As continuing security for the payment, performance and discharge in full of all Secured Obligations, the Beneficiary grants and agrees to grant a Security Interest in all its rights, title and interest in and to the Collateral in favor of the Secured Party, for its benefit and, if acting as agent or trustee on behalf of certain other secured parties, for the benefit of certain other secured parties defined or described in the Finance Documents.

3.2 Covenant to Pay

Unless this Section 3.2 is expressly disappplied in its entirety by any provision in the Principal Security Agreement, the Beneficiary covenants in favor of the Secured Party that it will pay and discharge the Secured Obligations when they are due to be paid or discharged.

4. TRUSTEE CONSENT AND AGREEMENT

The Trustee consents and agrees to the grant of the Security Interest in the Beneficial Interest by this Instrument, and to the terms of this Instrument (including the Master Terms).

5. [INTENTIONALLY OMITTED]

6. MISCELLANEOUS

6.1 Transition onto GATS Platform

Each of the parties to this Instrument intends to amend, restate and re-execute this Instrument in electronic or digital form on the GATS Platform and register it on the GATS e-Ledger after it becomes possible to do so.

6.2 GATS Security Instrument

For so long as the Security Interest granted hereunder has not been released and discharged, this Instrument is the 'GATS Security Instrument' for the purposes of the GATS Trust Instrument.

6.3 Counterparts

This Instrument may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and all of which counterparts, taken together, shall constitute one and the same instrument.

6.4 Governing Law

THIS INSTRUMENT SHALL IN ALL RESPECTS BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES THAT WOULD RESULT IN THE APPLICATION OF THE LAW OF ANOTHER JURISDICTION. THIS INSTRUMENT IS BEING DELIVERED IN THE STATE OF NEW YORK.

6.5 Waiver of Jury Trial

EACH PARTY TO THIS INSTRUMENT WAIVES, TO THE EXTENT PERMITTED BY APPLICABLE LAW, TRIAL BY JURY IN ANY LITIGATION IN ANY COURT WITH RESPECT TO, IN CONNECTION WITH, OR ARISING OUT OF THIS INSTRUMENT OR THE VALIDITY, PROTECTION, INTERPRETATION, COLLECTION OR ENFORCEMENT OF THIS INSTRUMENT. EACH PARTY TO THIS INSTRUMENT AGREES THAT THIS SECTION 6.5 IS A SPECIFIC AND MATERIAL ASPECT OF THIS INSTRUMENT AND ACKNOWLEDGES THAT THE OTHER PARTIES WOULD NOT HAVE ENTERED INTO THIS INSTRUMENT AND CONSUMMATED THE TRANSACTIONS CONTEMPLATED BY THIS INSTRUMENT IF THIS SECTION 6.5 WERE NOT PART OF THIS INSTRUMENT.

* * *

IN WITNESS WHEREOF, this Instrument been duly executed by the parties hereto on the day and year first above written.

[BENEFICIARY], as Beneficiary

By: _____

Name: _____

Title: _____

[ORIGINAL SECURED PARTY], as Secured Party

By: _____

Name: _____

Title: _____

[TRUSTEE], as Trustee

By: _____

Name: _____

Title: _____

SCHEDULE 1
Description of GATS Trust

Trust Branch	UIN	Name	Date of Establishment
United States ([UT][DE])[²]	[####]	GATS Trust [####]	[dd-mm-yyyy]

² NOTE: 'UT' means Utah common law trust, and 'DE' means Delaware common law trust.

SCHEDULE 2
Parties and Notice Details

1.	Beneficiary	
	Name:	[to be populated manually]
	Jurisdiction of formation, incorporation or organization:	[to be populated manually]
	Entity type:	[to be populated manually]
	Address:	[to be populated manually]
	Email:	[to be populated manually]
	Location (within the meaning of Section 9-307 of the UCC)	[to be populated manually]
2.	Original Secured Party	
	Name:	[to be populated manually]
	Jurisdiction of formation, incorporation or organization:	[to be populated manually]
	Entity type:	[to be populated manually]
	Address:	[to be populated manually]
	Email:	[to be populated manually]
	Capacity	<p>If checked, the Secured Party is acting as agent or trustee for itself and on behalf of certain other secured parties</p> <p>If checked, the Secured Party is acting in its individual capacity for its own account</p>
3.	Trustee	
	Name:	[to be populated manually]
	Jurisdiction of formation, incorporation or organization:	[to be populated manually]
	Entity type:	[to be populated manually]
	Address:	[to be populated manually]
	Email:	[to be populated manually]

SCHEDULE 3
Specific Information

Table 1

Principal Finance Document	
Document Name	<i>[to be populated manually]</i>
Date	<i>[to be populated manually]</i>
Principal Borrower Party [*]	<i>[to be populated manually]</i>
Parties	<i>[to be populated manually]</i>

[*] While it would be unusual, the Principal Borrower Party need not necessarily be a party to the Principal Finance Document.

Table 2

Principal Security Agreement	
Document Name	<i>[to be populated manually]</i>
Date	<i>[to be populated manually]</i>
Parties	<i>[to be populated manually]</i>

Table 3

Priority of Payment Provisions	
Section Reference of Principal Finance Document or Principal Security Agreement	<i>[to be populated manually]</i>

Table 4

Limited Purpose Covenants	
If checked, the limited purpose covenants in section 4.4 of the Master Terms APPLY	
If checked, the limited purpose covenants in section 4.4 of the Master Terms DO NOT APPLY	

APPENDIX A
Master Terms

[attach Master Terms]



GATSTM
Global Aircraft Trading System

GATS Security Instrument Master Terms
US TRUST BRANCH

(TRANSITIONAL FORM)

* * *

APPENDIX A Master Terms

* * *

1. [INTENTIONALLY OMITTED]

2. DEFINITIONS AND INTERPRETATION

2.1 Definitions

Unless otherwise defined in the terms of this Appendix A (these **Master Terms**), capitalized terms used in these Master Terms have the meaning given to them in the GATS Security Instrument. In these Master Terms:

Aircraft Equipment has the meaning given to such term in the GATS Trust Instrument.

Borrower Party means the Principal Borrower Party, Trustee, the Beneficiary and each affiliate of each such person.

Disposition means sale, assignment, transfer or other disposition of any kind whatsoever, and **Dispose** shall be construed accordingly.

Event of Default means an 'Event of Default', 'Termination Event' or such other term having equivalent meaning as defined in the Principal Finance Document or the Principal Security Agreement or, if (and only if) no such term is so defined:

- (a) any event which, by the express terms of the Finance Documents entitles any Finance Party to accelerate any debt owed to it or any other Finance Party under the Finance Documents; or
- (b) any event pursuant to which the Security Interest granted by the Principal Security Agreement becomes enforceable.

FAA Registration Period has the meaning given to such term in the Trust instrument Master Terms.

FAA Related Terms means the FAA Related Terms attached as Appendix B to the GATS Trust Instrument.

Finance Documents means:

- (a) the GATS Security Instrument;
- (b) each instrument effecting an assignment and transfer of the Security Interest granted or assigned to the Secured Party pursuant to Paragraph 7.3;
- (c) the Principal Finance Document;
- (d) the Principal Security Agreement, if any; and
- (e) each other document identified as a 'Finance Document' in the Principal Finance Document or the Principal Security Agreement for the purposes of the GATS Security Instrument and the Trust Documents.

Finance Party means:

- (a) the Secured Party; and
- (b) any other person identified in the Principal Finance Document or the Principal Security Agreement as a 'Finance Party' for the purposes of the GATS Security Instrument and the Trust Documents.

GATS Security Instrument means the GATS security instrument to which these Master Terms are attached as Appendix A.

Global Aircraft Trading System or **GATS** means the Global Aircraft Trading System, as more particularly described on the AWG website at <http://awg.aero/projects/gats/>.

Indebtedness means 'Indebtedness' as defined in the Principal Finance Document or such other term having equivalent meaning as defined, or if such term is not so defined, with respect to any person at any date of determination, without duplication:

- (a) all indebtedness of such person for borrowed money;
- (b) all obligations of such person evidenced by bonds, debentures, notes or other similar instruments;
- (c) all obligations of such person in respect of letters of credit or other similar instruments (including reimbursement obligations with respect thereto);
- (d) all the obligations of such person to pay the deferred and unpaid purchase price of property or services, which purchase price is due more than six months after the date of purchasing such property or service or taking delivery and title thereto or the completion of such services, and payment deferrals arranged primarily as a method of raising finance or financing the acquisition of such property or service;
- (e) all obligations of such person under a lease of (or other agreement conveying the right to use) any property (whether real, personal or mixed) that is required to be classified and accounted for as a capital lease obligation of such person under generally accepted accounting principles in the United States;
- (f) the amount of any liability in respect of any lease, hire purchase arrangement, conditional sale, or title retention arrangement which would, in accordance with generally accepted accounting principles, standards and practices in the United States, be treated as a balance sheet liability;
- (g) all 'Indebtedness' of other persons secured by a lien on any asset of such person, whether or not such Indebtedness is assumed by such person; and
- (h) all 'Indebtedness' of other persons guaranteed by such person.

Liabilities means any present or future payment or performance liabilities or obligations (actual or contingent) whether or not matured or liquidated, together with:

- (a) any refinancing, novation, deferral or extension of that liability;
- (b) any further advance which may be made under any agreement expressed to be supplemental to any document in respect of that liability, together with all related interest, fees and costs;
- (c) any claim for damages or restitution in the event of rescission of that liability or otherwise;
- (d) any claim flowing from any recovery by a payment or discharge in respect of that liability on the grounds of preference or otherwise; and
- (e) any amount (such as post-insolvency interest) which would be included in any of the above but for its discharge, non-provability, unenforceability or non-allowability in any bankruptcy, examinership, insolvency or other proceedings.

Material Action means consolidating or merging the Trust with or into any person, or selling all or substantially all of the assets of the GATS Trust, or instituting proceedings to have the GATS Trust be adjudicated bankrupt or insolvent, or consenting to the instituting of bankruptcy or insolvency proceedings against the GATS Trust or filing a petition seeking, or consenting to, reorganization, examinership or relief with respect to the GATS Trust under any applicable federal or state law relating to bankruptcy, or consenting to the appointment of a receiver, receiver and manager, judicial manager, administrator, administrative receiver, examiner, compulsory manager, liquidator, assignee, trustee, sequestrator (or other similar official) of the GATS Trust or a substantial part of the Trust Estate, or making any assignment for the benefit of creditors of the GATS Trust, or admitting in writing the GATS Trust's inability to pay its debts generally as they become due, taking action in furtherance of any such action or, to the fullest extent permitted by law, dissolving or liquidating the GATS Trust.

New Trustee means, in relation to an assignment and transfer by the Trustee of, inter alia, all of its Rights and Obligations under the GATS Security Instrument and the GATS Trust instrument, the person to whom all of such Rights and Obligations are or are to be assigned and transferred.

Obligations has the meaning given to such term in the Trust Instrument Master Terms.

Permitted Security Interest means:

- (a) the Security Interest granted pursuant to the GATS Trust Instrument; and
- (b) if applicable, any other Security Interest in any of the Collateral granted pursuant to or permitted by any Finance Document.

Release and Discharge means any instrument executed and delivered by the Secured Party pursuant to which, inter alia, the Secured Party releases and discharges Security Interest granted pursuant to the GATS Security Instrument.

Rights has the meaning given to such term in the Trust Instrument Master Terms.

Security Interest means any mortgage, charge, pledge, security assignment, lien, other security interest, or any encumbrance, however created or arising.

Transfer Instrument has the meaning given to such term in the Trust Instrument Master Terms.

Trust Company means the person acting as Trustee, not in its capacity as trustee but in its individual capacity and for its own account.

Trust Document has the meaning given to such term in the Trust Instrument Master Terms.

Trust Estate has the meaning given to such term in the Trust Instrument Master Terms.

Trust Instrument Master Terms means the GATS Trust Instrument Master Terms attached as appendix A to the GATS Trust Instrument.

UCC means the Uniform Commercial Code as in effect in the State of New York or as in effect in any other applicable jurisdiction.

Unrelated Person means any person other than a subsidiary of any Principal Borrower Party.

2.2 Interpretation

- (a) Unless a contrary intention appears, a reference in the GATS Security Instrument to:
 - (i) the **Beneficiary**, the **Secured Party** or the **Trustee** shall be construed (A) to be a reference to it in its capacity as such and not in any other capacity, and (B) so as to include its successors in title, permitted assigns and permitted transferees;
 - (ii) a **person** includes any individual, firm, company, corporation, government, state, political subdivision or agency of a state or any association, trust, joint venture consortium, partnership or other entity (whether or not having separate legal personality);
 - (iii) **assets** or **property** includes present and future assets or properties, revenues and rights of every description;
 - (iv) a **law** or **regulation** includes any law, constitution, treaty, statute, law, decree, regulation, order (including an executive order), rule or directive of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organization, or any judicial or administrative interpretation or application of, or decision under, any of the foregoing;
 - (v) any provision of any law or regulation includes any such provision as amended, re-enacted or superseded by any other law or regulation;
 - (vi) an **Article**, a **Clause**, a **Section**, an **Annex**, an **Appendix**, an **Exhibit** or a **Schedule** in the GATS Security Instrument is a reference to an article, clause or section of, or an annex,

appendix, exhibit or a schedule to the GATS Security Instrument;

- (vii) any agreement, instrument or document, or any annex, schedule or exhibit to any of the foregoing, or any other part of the foregoing, includes that agreement, instrument or document, or annex, schedule or exhibit, or part, respectively, as amended, modified or supplemented from time to time in accordance with its terms, and any agreement, instrument or document amending, restating, replacing or substituting that agreement, instrument or document, or annex, schedule or exhibit, or part, respectively;
- (viii) words importing the plural include the singular and words importing the singular include the plural;
- (ix) **in writing** or **written** includes by electronic communication, unless otherwise stated; and
- (x) the date of the GATS Security Instrument is the date indicated on its front cover.
- (b) The words 'including' and terms and phrases of similar import mean, in each case, 'including, without limitation'.
- (c) Headings used in the GATS Security Instrument are for convenience only and shall not in any way affect the construction of, or be taken into consideration in interpreting, the GATS Security Instrument.
- (d) Each schedule, exhibit, annex and appendix to the GATS Security Instrument is incorporated in, and shall be deemed to be a part of, the GATS Security Instrument.
- (e) The GATS Security Instrument includes and shall be deemed to include these Master Terms.

3. SECURITY INTEREST

3.1 Limitations on Secured Party's Obligations

- (a) The Beneficiary shall remain liable under the GATS Trust Instrument to observe and perform all the conditions and obligations to be observed and performed by it under the GATS Trust Instrument, all in accordance with the terms and provisions of the GATS Trust Instrument.
- (b) The Secured Party shall not have:
 - (i) any obligation or liability under the GATS Trust Instrument by reason of or arising out of the GATS Security Instrument or the receipt by the Secured Party of any payment relating to the GATS Trust Instrument pursuant to the GATS Security Instrument; or
 - (ii) any obligation in any manner to perform any of the obligations of the Beneficiary under or pursuant to the GATS Trust Instrument, to make any payment, to make any enquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party under the GATS Trust Instrument, to present or file any claim, to take any action to enforce any performance

or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time.

3.2 Security Interest Absolute

All rights of the Secured Party, all Security Interests granted by and all obligations of the Beneficiary under the GATS Security Instrument shall not be adversely affected by:

- (a) any lack of validity or enforceability of the GATS Security Instrument or any Finance Document or any agreement or instrument relating to the GATS Security Instrument or any Finance Document;
- (b) failure of any holder of any Secured Obligations:
 - (i) to assert any claim or demand or to enforce any right or remedy against the Beneficiary or under the provisions of the GATS Security Instrument or any Finance Document or otherwise; or
 - (ii) to exercise any right or remedy against any other guarantor of, or collateral securing, any Secured Obligations;
- (c) any increase in the Secured Obligations, or any change in the time, manner or place of, payment of any Secured Obligations, or in any term of, or any other amendment or waiver of, or any consent to, or any departure from the GATS Security Instrument or any Finance Document;
- (d) any increase (including an increase in principal or interest rate), reduction, limitation, impairment or termination of any Secured Obligations for any reason, including amendment or any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to (and the Beneficiary hereby waives any right to or claim of) any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality, non-genuineness, irregularity, compromise, unenforceability of, or any other event or occurrence affecting, any Secured Obligations or otherwise;
- (e) any amendment to, rescission, waiver, novation, supplement, extension, replacement or other modification of (in each case, however fundamental and whether or not more onerous), or any consent to departure from, any of the terms of the Secured Obligations or the GATS Security Instrument or any Finance Document;
- (f) any exchange, release or non-perfection of any other collateral, or any release or amendment or waiver of, or consent to, or departure from any provision of the GATS Security Instrument or any Finance Document;
- (g) the release of the Beneficiary under the terms of any composition or arrangement with any creditor of the Beneficiary or any other person;
- (h) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Beneficiary or any other person;

- (i) any bankruptcy or insolvency proceedings, amalgamation, reconstruction or reorganization of the Beneficiary or any other person; or
- (j) any other circumstances which might otherwise constitute a defense available to, or a legal or equitable discharge of, the Beneficiary, any surety or any guarantor.

3.3 Continuing security

- (a) The Security Interest granted by the GATS Security Instrument:
 - (i) is a continuing Security Interest and will extend to the ultimate balance of the Secured Obligations until released or discharged by the Secured Party in accordance with the terms of the GATS Security Instrument;
 - (ii) will not be considered satisfied or discharged by any intermediate repayment or satisfaction of all or any part of the Secured Obligations; and
 - (iii) takes effect without prejudice to any other Security Interest granted in the Collateral by the Beneficiary in favor of the Secured Party pursuant to any other Finance Document.
- (b) If upon final repayment and satisfaction of the Secured Obligations there shall exist any right on the part of the Beneficiary or any other person to draw funds or otherwise which, if exercised, would or might cause the Beneficiary to become actually or contingently liable to the Secured Party, whether as principal debtor or as surety for another person, then the Secured Party will be entitled to retain the security created by the GATS Security Instrument and all rights, remedies and powers conferred by the GATS Security Instrument and the Collateral for so long as shall or might be necessary to secure the discharge of such actual or contingent liability.

3.4 Reinstatement

If any payment obligation of the Beneficiary, the Trustee or any other obligor under the Secured Obligations, or any discharge given by the Secured Party in respect of the Secured Obligations, is avoided or reduced as a result of bankruptcy, insolvency, any similar event or otherwise:

- (a) the liability of the Beneficiary, the Trustee or such obligor, as applicable, in respect of such payment, discharge, avoidance or reduction, and any Security Interest that was released and discharged as a result of such payment, discharge, avoidance or reduction, shall be reinstated and continue as if such payment, discharge, avoidance or reduction had not occurred; and
- (b) the Secured Party shall be entitled to recover the amount of such payment from the Beneficiary, the Trustee or such obligor, as applicable (and the liability to pay such amount shall form part of the Secured Obligations), as if the payment, discharge, avoidance or reduction had not occurred.

4. REPRESENTATIONS, WARRANTIES AND COVENANTS

4.1 Representations and Warranties of the Beneficiary

The Beneficiary hereby makes the following representations and warranties in favor of the Secured Party as of the date of the GATS Security Instrument.

(a) Status

It is an entity of the type specified in the corresponding box under 'Beneficiary' in schedule 2 (*Parties and Notice Details*) to the GATS Security Instrument and is duly incorporated, formed or organized and validly existing under the law of its jurisdiction of incorporation, formation or organization.

(b) Power and Authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorize its entry into, performance and delivery of the GATS Security Instrument and each Trust Document to which it is a party, and the transactions contemplated by each the GATS Security Instrument and each such Trust Document.

(c) Execution and Delivery

The GATS Security Instrument and each Trust Document to which the Beneficiary is a party has been duly executed and delivered by one or more signatories duly authorized to execute and deliver the GATS Security Instrument or such Trust Document for it or on its behalf.

(d) Binding Obligations

The obligations expressed to be assumed by it under the GATS Security Instrument and each Trust Document to which it is a party are legal, valid and binding obligations, enforceable against it in accordance with its terms, subject to any general principles of law limiting its obligations which are specifically referred to (or cross-referred to by reference to another document) in any Finance Document as expressly limiting the application of this representation and warranty.

(e) No Conflict

The entry into and performance by it of, and the transactions contemplated by, the GATS Security Instrument and each Trust Document to which it is a party do not and will not conflict with:

- (i) any law or regulation applicable to it;
- (ii) its constitutional documents; or
- (iii) any agreement, instrument or other document binding upon it or any of its assets.

(f) No Consents

Except as specifically provided in any Finance Document:

- (i) no consent or approval of any person or any governmental authority is required, or purports to be required, in connection with the execution, delivery and performance of the

GATS Security Instrument and each Trust Document to which it is a party; and

- (ii) no defense, offset, counterclaim or claim which would materially adversely affect the value of the Collateral have been asserted or alleged against the Beneficiary.

(g) Ownership; no Security Interests

It owns all of the Pledged Beneficial Interest and, except to the extent expressly described in schedule 1 (*Description of GATS Trust*) to the GATS Security Instrument, no person other than the Beneficiary holds any beneficial interest in the Trust Estate or is a beneficiary of the GATS Trust and, except for Permitted Security Interests, it has not granted any Security Interest in the Collateral that has not been released and discharged prior to the time the GATS Security Instrument took effect.

(h) Uniform Commercial Code

- (i) No Trust Document expressly provides that the Pledged Beneficial Interest is a 'security' governed by Article 8 of the UCC, nor is it (nor is it of a type) that is dealt in or traded on any securities exchange or securities market within the meaning of Section 8-102(a)(15) of the UCC.
- (ii) The Beneficiary's exact legal name and jurisdiction of incorporation, formation or organization, are specified in the corresponding boxes under 'Beneficiary' in schedule 2 (*Parties and Notice Details*) to the GATS Security Instrument.
- (iii) The Beneficiary's 'location' (within the meaning of Section 9-307 of the UCC) is the jurisdiction or each of the jurisdictions specified in the corresponding box under 'Beneficiary' in schedule 2 (*Parties and Notice Details*) to the GATS Security Instrument.
- (iv) The GATS Trust's exact name is specified in schedule 1 (*Description of GATS Trust*) to the GATS Security Instrument.

4.2 Beneficiary Covenants

The Beneficiary makes the following covenants for the benefit of the Secured Party which shall remain in force at all times from and including the date of the GATS Security Instrument until the Security Interest granted pursuant to the GATS Security Instrument is released and discharged in accordance with Paragraph 9.

(a) Ownership; no Security Interests

It shall not, without the prior written consent of the Secured Party:

- (i) either in a single transaction or in a series of transactions and whether related or not, Dispose of all or any part of the Collateral or any interest in the Collateral (including any assignment or transfer of the Pledged Beneficial Interest), or enter into any agreement restricting its right or the right of the Secured Party to do

so, except in each case to the extent permitted by the Finance Documents; or

- (ii) create or allow to exist any Security Interest over any of the Collateral except for any Permitted Security Interests, and it shall promptly take such action as may be necessary to discharge duly any such Security Interest.

(b) Amendments to Trust Documents

It shall not, without the prior written consent of the Secured Party, amend or modify, or enter into any agreement which has the effect of amending or modifying, any Trust Document or otherwise execute any Trust Document, except that, to the extent that the Trustee acquires or disposes of any Aircraft Equipment pursuant to and in accordance with the terms of the Principal Finance Document or the Principal Security Agreement, the Beneficiary shall be entitled to amend schedule 3 (*Aircraft Equipment*) to the GATS Trust Instrument accordingly without the consent of the Secured Party.

(c) Termination of GATS Trust

It shall not, without the prior written consent of the Secured Party, enter into any GATS Termination Instrument or otherwise agree to the termination of the GATS Trust.

(d) Uniform Commercial Code

It shall not:

- (i) execute any agreement, instrument or other document with the Trustee or the Trust Company which expressly provides that the Pledged Beneficial Interest is or will be a 'security' governed by Article 8 of the UCC;
- (ii) authorize the Trustee to issue any certificates in respect of or representing the Pledged Beneficial Interest; or
- (iii) except to the extent permitted by any Finance Document, change its name or change its 'location' (within the meaning of Section 9-307 of the UCC).

4.3 Trustee General Covenants

Unless this Paragraph 4.3 is expressly disappplied or replaced in its entirety by any provision in any Finance Document, the Trustee makes the following covenants for the benefit of the Secured Party which shall remain in force at all times from and including the date of the GATS Security Instrument until the Security Interest granted pursuant to the GATS Security Instrument is released and discharged in accordance with Paragraph 9.

(a) Information Covenant

At the written request of the Secured Party, it will furnish to the Secured Party any duplicates or copies of all reports, notices, requests, demands, certificates, financial statements and other instruments which it is required to furnish to the Beneficiary pursuant to paragraph 6.2(d) of the Trust Instrument Master Terms.

(b) Amendments to Trust Documents

It shall not, without the prior written consent of the Secured Party, amend or modify, or enter into any agreement which has the effect of amending or modifying, any Trust Document, except that, to the extent that the Trustee acquires or disposes of any Aircraft Equipment pursuant to and in accordance with the terms of the Principal Finance Document or the Principal Security Agreement, it shall be entitled to amend schedule 3 (*Aircraft Equipment*) to the GATS Trust Instrument accordingly without the consent of the Secured Party.

(c) Termination of GATS Trust

It shall not, without the prior written consent of the Secured Party, enter into any GATS Termination Instrument or otherwise agree to the termination of the GATS Trust.

(d) Uniform Commercial Code

It shall not:

- (i) enter into any agreement, instrument or other document with the Beneficiary which expressly provides that the Pledged Beneficial Interest is or will be a 'security' governed by Article 8 of the UCC; or
- (ii) issue any certificates in respect of or representing the Pledged Beneficial Interest.

4.4 Trustee Limited Purpose Covenants

Unless this Paragraph 4.4 is expressly disappplied as indicated in schedule 3 (*Specific Information*) of the GATS Security Instrument, the Trustee makes the following covenants for the benefit of the Secured Party which shall remain in force at all times from and including the date of the GATS Security Instrument until the Security Interest granted pursuant to the GATS Security Instrument is released and discharged in accordance with Paragraph 9.

- (a) The Trustee will administer the GATS Trust such that the GATS Trust shall not engage in any business or other activity except as permitted by the terms of the Finance Documents.
- (b) Except to the extent otherwise required by applicable law, the Trustee shall not take any Material Action without the consent of the Secured Party.
- (c) The Trustee, acting in such capacity, shall not employ or maintain any employees other than as required by any provision of applicable law; provided that neither the Trustee nor any employees of the Trust Company shall be deemed to be employees for purposes of this Paragraph 4.4.
- (d) The Trustee, acting in such capacity, shall not incur any Indebtedness except as permitted by the terms of the Finance Documents, provided that neither the Beneficial Interest nor any obligations owed by the Trustee or the Trust Company to the Beneficiary under any Trust Document shall constitute Indebtedness.

- (e) The Trustee will administer the GATS Trust such that the GATS Trust is a separate and readily identifiable business from, and independent of, each of the Unrelated Persons, it being understood that (i) the Unrelated Persons may publish financial statements that consolidate those of the GATS Trust and the Unrelated Persons, if to do so is required by any applicable law or accounting principles from time to time in effect and (ii) the subsidiaries of the GATS Trust may file consolidated tax returns with any such Unrelated Person and its or the GATS Trust's affiliates for tax purposes.

4.5 FAA Related Terms

At all times during any FAA Registration Period, the Secured Party agrees to be bound by paragraphs 3.3 and 8 of the FAA Related Terms to the extent described therein.

5. **ENFORCEMENT**

5.1 Remedies

Upon the occurrence and during the continuation of an Event of Default, the Secured Party may, at its option, do one, several or all of the following as the Secured Party in its sole discretion shall then elect:

- (a) upon notifying the Trustee in writing that the Security Interest granted by the GATS Security Instrument has become enforceable, exercise all rights, powers, options and discretions conferred on the Beneficiary and all consents, approvals, waivers and confirmations to be given by the Beneficiary under the GATS Trust Instrument, including the right to instruct the Trustee pursuant to paragraph 3.1 of the Trust Instrument Master Terms, and otherwise act as though it were the outright owner of all of the Pledged Beneficial Interest;
- (b) without notice except as specified in Paragraph 5.2(a) below, and subject to the restrictions on assignment and transfer specified in paragraph 10 of the Trust Instrument Master Terms (but without prejudice to the Secured Party's rights under Paragraph 5.1(a) above to instruct the Trustee):
 - (i) cause the Pledged Beneficial Interest to be transferred to it or any nominee and hold same in accordance with the UCC; and
 - (ii) Dispose of all or any part of the Collateral in one or more parcels (but may not Dispose of less than all of the Pledged Beneficial Interest), at public or private Disposition, at any exchange, broker's board, any of the Secured Party's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as the Secured Party may deem commercially reasonable in its sole discretion; and
- (c) exercise in respect of all or any part of the Collateral, in addition to other rights and remedies provided for in the GATS Security Instrument or otherwise available to it, all of the rights and remedies of a secured party on default under the UCC.

5.2 Collection and Enforcement

- (a) In addition to any other notices required by applicable law, the Secured Party shall give to the Beneficiary at least ten days prior written notice of each public Disposition or any date after which a private Disposition or other intended Disposition of any of the Collateral under the GATS Security Instrument shall occur, and the Beneficiary agrees that such notice of such Disposition shall constitute reasonable notification.
- (b) The Secured Party shall not be obligated to make any Disposition of any of the Collateral, regardless of notice of any Disposition having been given. The Secured Party may adjourn any public or private Disposition from time to time by announcement at the time and place fixed for such Disposition, and such Disposition may, without further notice, be made at the time and place to which it was so adjourned.
- (c) Any cash held by the Secured Party as Collateral and all cash proceeds received by the Secured Party in respect of any Disposition of, collection from or other realization upon or distribution in respect of all or any part of the Collateral shall be held by the Secured Party as collateral for, and applied, as payment for any Secured Obligations.

5.3 Recognition by Trustee of Enforcement of Security Interest

Upon the Secured Party notifying the Trustee in writing that the Security Interest granted by this Instrument has become enforceable, all rights, powers, options and discretions conferred on the Beneficiary and all consents, approvals, waivers and confirmations to be given by the Beneficiary under the GATS Trust Instrument, including the right to instruct the Trustee pursuant to paragraph 3.2 of the Trust Instrument Master Terms, shall be exercisable only by or as directed by the Secured Party as if the Secured Party were named as 'Beneficiary' under the GATS Trust Instrument, and otherwise act as though it were the outright owner of all of the Beneficial Interest.

6. APPLICATION OF PROCEEDS

6.1 Payments and Proceeds under the GATS Trust Instrument

- (a) For the purposes of paragraph 4.2(a)(ii) of the Trust Instrument Master Terms, the balance of any payment received by the Trustee pursuant to the GATS Trust Instrument and any other amount received by it as part of the Trust Estate and for the application or distribution of which no provision is made in the GATS Trust Instrument shall be distributed and applied in accordance with Priority of Payments Provisions.
- (b) For the purposes of paragraph 4.2(b)(ii) of the Trust Instrument Master Terms (and subject always to the provisos set forth in such clause), the Secured Party hereby requires that all distributions to be made pursuant to the GATS Trust Instrument shall be made:

- (i) to the account identified for such purpose in the Principal Finance Document or the Principal Security Agreement;
- (ii) if no such account is identified, to such account as it may direct in writing from time to time; or
- (iii) if no such direction is given and to the extent permitted by the Principal Finance Document or the Principal Security Agreement, to such account as the Beneficiary shall from time to time direct in writing.

6.2 Application by Secured Party

Subject to Paragraph 6.4, all amounts received by the Secured Party in respect of any of the Collateral and all proceeds received by the Secured Party with respect to the exercise of remedies against all or any part of the Collateral shall be held by the Secured Party or its nominee and distributed and applied in accordance with Priority of Payments Provisions.

6.3 Turnover of Proceeds

Upon the occurrence and during the continuation of an Event of Default:

- (a) any payment received by the Beneficiary and any other amount received by it as part of the Collateral shall be held by the Beneficiary in trust for the Secured Party, segregated from other funds of the Beneficiary, and shall, immediately upon receipt by the Beneficiary, be turned over to the Secured Party in the exact form received by the Beneficiary (duly endorsed by the Beneficiary to the Secured Party, if required); and
- (b) any and all such proceeds received by the Secured Party (whether from the Beneficiary or otherwise) may, in the sole discretion of the Secured Party, be held by the Secured Party as Collateral and then or at any time thereafter may be applied by the Secured Party against, the Secured Obligations (whether matured or unmatured) in accordance with Priority of Payments Provisions.

6.4 Suspense Account

- (a) The remaining provisions of this Paragraph 6.4 shall not apply to the extent expressly disappplied or replaced in its entirety by any provision in the Principal Finance Document or the Principal Security Agreement.
- (b) At any time while an Event of Default is continuing, if further sums which are not currently due and payable to a Finance Party may become due and payable to such Finance Party, any moneys received by the Secured Party (or any trustee or agent on its behalf) up to the amount of such further sums may be retained by the Secured Party (or any trustee or agent on its behalf) and, instead of being applied in or towards the discharge of the Secured Obligations, the Secured Party (or any trustee or agent on its behalf) may credit the amount to an interest-bearing suspense account (with interest at market rates being credited to that account) for payment of such amount to such Finance Party as and when it becomes due.

7. **ASSIGNMENT AND TRANSFER; TRUSTEE APPROVALS**

7.1 Assignments and Transfers Generally

The GATS Security Instrument shall be binding upon and shall inure to the benefit of, and shall be enforceable by, the parties to the GATS Security Instrument (including the Trustee in respect of those provisions by which it has agreed to be bound) and, subject to the remaining provisions of this Paragraph 7, their respective successors and permitted assigns.

7.2 No Assignment or Transfers by Beneficiary

The Beneficiary may not assign any of its rights or transfer any of its rights or obligations under the GATS Security Instrument.

7.3 Assignments and Transfers by Secured Party

(a) The Secured Party may assign and transfer:

- (i) all of its rights, title and interest in and to the Security Interest granted to it pursuant to the GATS Security Instrument (or assigned to it pursuant to another such assignment and transfer); and
- (ii) all or any of its rights under the GATS Security Instrument,

without the consent of the Beneficiary or the Trustee.

(b) The Secured Party may grant a Security Interest in any of its rights under the GATS Security Instrument without the consent of the Beneficiary or the Trustee.

7.4 Assignments and Transfers by Trustee

The Trustee may not assign or transfer any of its Rights and Obligations under the GATS Security Instrument except pursuant to the execution and delivery of a Transfer Instrument in connection with the appointment of a New Trustee and an assignment and transfer of its Rights and Obligations to such New Trustee under the GATS Trust Instrument in accordance with paragraph 11 of the Trust Instrument Master Terms.

8. **AMENDMENTS; WAIVERS**

8.1 Amendments

The GATS Security Instrument may not be amended, modified, or otherwise altered, except by:

- (a) an amendment pursuant to, or to the extent permitted or contemplated by, the express terms of another Finance Document; or
- (b) an amendment effected pursuant to a written instrument executed by the Beneficiary, the Secured Party and the Trustee.

8.2 Waivers

Any provision of the GATS Security Instrument may be waived by the Secured Party in a written notice or instrument executed by the Secured Party and delivered to the Beneficiary and the Trustee in accordance with Paragraph 11.5.

9. **RELEASE AND DISCHARGE**

9.1 Release and Discharge of Security Interest

Upon the Secured Party being satisfied that the Secured Obligations have been irrevocably and unconditionally discharged in full, or to the extent the Secured Party is required to do so under any Finance Document, the Secured Party shall, at the request and cost of the Beneficiary, execute and deliver a Release and Discharge, without recourse to, and without any representations or warranties by, the Secured Party or any of its nominees.

9.2 UCC Termination Statements, etc.

At the request and cost of the Beneficiary concurrently with or following the execution and delivery of a Release and Discharge, the Secured Party shall execute, authorize and deliver to the Beneficiary, but without recourse, representation or warranty, such UCC termination statements and similar documents prepared by the Beneficiary which the Beneficiary shall reasonably request to evidence the release of the Collateral from the Security Interest granted by the GATS Security Instrument.

10. **SECURED PARTY'S APPOINTMENT AS ATTORNEY-IN-FACT**

(a) Powers

The Beneficiary hereby irrevocably constitutes and appoints the Secured Party with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Beneficiary and in the name of the Beneficiary or in its own name, from time to time upon the occurrence and continuation of an Event of Default, in the Secured Party's discretion, for the purpose of carrying out the terms of the GATS Security Instrument, to take any and all appropriate action and to execute, seal and deliver and otherwise perfect any and all documents and instruments which may be necessary or desirable to accomplish the purposes of the GATS Security Instrument, and, without limiting the generality of the foregoing, the Beneficiary hereby gives the Secured Party the power and right, on behalf of the Beneficiary, without notice to or assent by the Beneficiary, to do the following upon the occurrence and continuation of an Event of Default:

- (i) in the case of any Collateral, in the name of the Beneficiary, its own name or otherwise, take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any agreement constituting part of or relating to the Pledged Beneficial Interest or with respect to any other Collateral and to file any claim or take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Secured Party for the purpose of collecting any and all such moneys due under any agreement constituting part of or relating to the Pledged Beneficial Interest or with respect to any other Collateral whenever payable;

- (ii) pay or discharge taxes and Security Interests levied or placed on or threatened against all or any part of the Collateral;
 - (iii) direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Secured Party or as the Secured Party shall direct;
 - (iv) ask or demand for, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral;
 - (v) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any thereof and to enforce any other right in respect of any Collateral;
 - (vi) to defend any suit, action or proceeding brought against the Beneficiary with respect to any Collateral;
 - (vii) settle, compromise or adjust any suit, action or proceeding described in paragraph (vi) above and, in connection therewith, give such discharges or releases as the Secured Party may deem appropriate; and
 - (viii) generally, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Secured Party were the absolute owner thereof for all purposes, and perform at the Secured Party's option and the Beneficiary's expense, at any time, or from time to time, all acts and things which the Secured Party reasonably deems necessary to protect, preserve or realize upon the Collateral and the Security Interest granted pursuant to the GATS Security Instrument and to effect the intent of the GATS Security Instrument, all as fully and effectively as the Beneficiary might do.
- (b) Irrevocability
- This power of attorney is a power coupled with an interest and shall be irrevocable.
- (c) Other Powers
- The Beneficiary also authorizes the Secured Party, at any time and from time to time, to execute, in connection with any Disposition contemplated by Paragraph 4.3, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral.
- (d) Ratification
- The Beneficiary ratifies and confirms all things done by any attorney appointed under this Paragraph in the exercise or purported exercise of all or any of such attorney's powers.
- (e) Delegates
- The Secured Party may delegate by power of attorney or in any other manner, to any person, any right,

power or discretion exercisable by it under the GATS Security Instrument upon any terms (including the power to sub-delegate) as it may deem fit but no such delegation shall preclude the subsequent exercise of such power by the Secured Party itself or preclude the Secured Party from making a subsequent delegation thereof to some other person. Any such delegation may be revoked by the Secured Party at any time.

11. MISCELLANEOUS

11.1 Performance by the Secured Party of Beneficiary's Obligations

If the Beneficiary fails to perform or comply with any of its obligations under the GATS Security Instrument then the Secured Party may, upon the occurrence and continuation of an Event of Default, itself perform or comply, or otherwise cause performance or compliance of such obligation, and the reasonable expenses of the Secured Party incurred in connection with such performance or compliance, together with interest thereon, shall be payable by the Beneficiary to the Secured Party on demand and shall constitute Secured Obligations.

11.2 No Duty Imposed on Secured Party

The powers conferred on the Secured Party under the GATS Security Instrument are solely to protect the Secured Party's interests in the Collateral and shall not impose any duty upon the Secured Party to exercise any such powers. The Secured Party shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, directors, employees or agents shall be responsible to the Beneficiary for any act or failure to act under the GATS Security Instrument, except for its own gross negligence or willful misconduct.

11.3 Further Assurance

- (a) The Beneficiary hereby authorizes the Secured Party file against any financing or continuation statements under the UCC in any applicable jurisdiction in any applicable jurisdiction in respect of the Collateral.
- (b) At any time and from time to time, upon the written request of the Secured Party, and at the sole expense of the Beneficiary, the Beneficiary shall promptly do all such acts and execute all such documents (including assignments, transfers, security instruments, notarizations, registrations, notices and instructions) as the Secured Party may reasonably specify (and in such form as the Secured Party may reasonably require) in favor of the Secured Party or its nominee(s) to create, perfect and protect the Security Interest granted or intended to be granted over or in respect of the Collateral which may include the execution by the Beneficiary of a Security Interest over all or any of the assets constituting, or intended to constitute, the Collateral) or for the exercise of any of the rights, powers and remedies of the Secured Party provided by or pursuant to the GATS Security Instrument or by law, including the filing of any financing or continuation statements under the UCC in any applicable jurisdiction.

11.4 No Waiver; Cumulative Remedies

- (a) The Secured Party shall not by any act (except by a written notice or instrument executed and delivered in accordance with Paragraph 8.2), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy under the GATS Security Instrument or to have acquiesced in any default or in any breach of any of the terms and conditions of the GATS Security Instrument.
- (b) No failure to exercise, nor any delay in exercising, on the part of the Secured Party, any right, power or privilege under the GATS Security Instrument shall operate as a waiver of such right, power or privilege. No single or partial exercise of any right, power or privilege under the GATS Security Instrument shall preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege. A waiver by the Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Secured Party would otherwise have on any future occasion.
- (c) The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any rights or remedies provided by law.

11.5 Notices

Unless otherwise expressly provided in the GATS Security Instrument, all notices, demands and other communications under the GATS Security Instrument shall be in writing and shall be delivered personally or sent by facsimile transmission or electronic mail, with a confirming copy sent by airmail, postage prepaid, and the date of personal delivery or facsimile transmission, as the case may be, shall be the date of such notice, in each case addressed:

- (a) if to the Beneficiary, to the address, facsimile or email specified in the corresponding boxes under 'Beneficiary' in schedule 2 (*Parties and Notice Details*) to the GATS Security Instrument, as updated from time to time pursuant to a written notice delivered to each other party;
- (b) if to the Secured Party, to the address, facsimile or email specified in the corresponding boxes under 'Secured Party' in schedule 2 (*Parties and Notice Details*) to the GATS Security Instrument or as identified in the relevant instrument pursuant to which it became the 'Secured Party', in each case as updated from time to time pursuant to a written notice delivered to each other party; and
- (c) if to the Trustee, to the address, facsimile or email specified in the corresponding boxes under 'Trustee' in schedule 2 (*Parties and Notice Details*) to the GATS Security Instrument, as updated from time to time pursuant to a written notice delivered to each other party.

Each such notice, demand, or other communication shall be effective when received or, if made by facsimile, when confirmed, or otherwise, when delivered to the address specified above.

11.6 Severability

If any provision of the GATS Security Instrument shall be held invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions of the GATS Security Instrument shall continue to be fully effective.

11.7 Headings; References

The headings and the table of contents used in the GATS Security Instrument are for convenience of reference only and shall not define or limit any of the terms or provisions of the GATS Security Instrument and shall not in any way affect the construction of, or be taken into consideration in interpreting, the GATS Security Instrument.

11.8 [Intentionally Omitted]

11.9 Third Party Beneficiaries

Except as expressly provided or contemplated in the GATS Security Instrument, the Principal Finance Document or the Principal Security Agreement, nothing in the GATS Security Instrument, whether express or implied, shall be construed to give any person other than the parties to the GATS Security Instrument any legal or equitable right, remedy or claim under or in respect of the GATS Security Instrument, and the GATS Security Instrument shall be held to be for the sole and exclusive benefit of the parties to it.

12. GOVERNING LAW AND JURISDICTION

12.1 [Intentionally Omitted]

12.2 Jurisdiction

- (a) The remaining provisions of this Paragraph 12.2 shall not apply to the extent expressly disappplied or replaced in its entirety by any provision in the Principal Finance Document or the Principal Security Agreement.
- (b) Each of the parties to the GATS Security Instrument:
 - (i) agrees that the Supreme Court of the State of New York sitting in the Borough of Manhattan, and the United States District Court for the Southern District of New York sitting in the Borough of Manhattan, and any appellate court from any thereof, shall have jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise out of or in connection with the GATS Security Instrument and, for such purposes, submits to the jurisdiction of such courts; and
 - (ii) waives any objection which it might now or hereafter have to such United States federal or New York State courts being nominated as the forum to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise out of or in connection with the GATS Security Instrument and agrees not to claim that any such court is not a convenient or appropriate forum.
- (c) Each of the parties to the GATS Security Instrument agrees that the process by which any suit, action or

proceeding is begun may be served on it by being delivered in connection with any suit, action or proceeding in any such New York State or federal court, consents to receive any such service of process:

- (i) directly at the address determined for such party pursuant to Paragraph 11.5; and/or
 - (ii) to the process agent, if any, identified in the Primary Finance Document or the Primary Security Agreement, as its designee, appointee and agent to receive, accept and acknowledge for and on its behalf such service of legal process.
- (d) Nothing in the GATS Security Instrument will affect the right of any party to the GATS Security Instrument to serve process in any other manner permitted by law.

12.3 Waiver of Immunities

- (a) The remaining provisions of this Paragraph 12.3 shall not apply to the extent expressly disappplied or replaced in its entirety by any provision in the Principal Finance Document or the Principal Security Agreement.
- (b) Each of the parties to the GATS Security Instrument irrevocably waives and agrees not to plead or claim, to the fullest extent permitted by law, with respect to itself, its revenues, its assets (irrespective of their use or intended use) and its obligations under the GATS Security Instrument, all immunity on the grounds of sovereignty or otherwise from:
- (i) suit, legal action or proceeding;
 - (ii) jurisdiction of any court;
 - (iii) relief by way of injunction or order for specific performance or recovery of property;
 - (iv) attachment of its assets (whether before or after judgment);
 - (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any immunity in any such proceedings); and
 - (vi) service of process, notice or any other legal process.
- (c) Each of the parties to the GATS Security Instrument agrees that the waivers set out in this Paragraph 12.3 are effective to the fullest extent permitted under the U.S. Foreign Sovereign Immunities Act of 1976 (28 U.S.C. Sections 1602 to 1611, as amended), and are intended to be irrevocable and not subject to withdrawal for purposes of such Act.



GATS Transfer Instrument

(Full Beneficial Interest Transfer)

US TRUST BRANCH
Utah Common Law Trust

(TRANSITIONAL FORM)

Trust Branch:	United States (UT)
Trust UIN:	[####] ¹
Name of Trust:	GATS Trust [####]
Effective Time:	[to be populated manually]

THIS GATS TRANSFER INSTRUMENT is dated as of [date] (this **Instrument**)

BETWEEN

- (1) the EXISTING BENEFICIARY;
- (2) the NEW BENEFICIARY; and
- (3) the TRUSTEE in its capacity as trustee of the GATS Trust and, where expressly stated, in its individual capacity as the TRUST COMPANY.

IT IS AGREED AS FOLLOWS:

¹ GATS Trust numbers will be pre-assigned during the transitional period. Please go to <http://awg.aero/projects/gats/> for further details.

1. DEFINITIONS

Unless otherwise defined in this Instrument, capitalized terms used in this Instrument have the meaning given to them in the GATS Trust Instrument. In this Instrument, unless the contrary intention appears:

Effective Time means the date and time as of which this Instrument is executed and delivered, as described on the cover page of this Instrument.

Existing Beneficiary means the person identified as the 'Existing Beneficiary' in Schedule 2 (*Parties and Notice Details*).

GATS Trust means the trust pursuant to the GATS Trust Instrument or the Previous Trust Instrument, as applicable, with the name and UIN as identified in Schedule 1 (*Description of GATS Trust*).

GATS Trust Instrument means the GATS Trust Instrument relating to the GATS Trust between the Existing Beneficiary and the Trustee, as amended, supplemented, assigned and transferred from time to time prior to the Effective Time.

New Beneficiary means the person identified as the 'New Beneficiary' in Schedule 2 (*Parties and Notice Details*).

New Related Documents means:

- (a) each Transferred Related Document; and
- (b) each other Related Document executed during any period after the Effective Time, subject to the terms of any other GATS Transfer Instrument executed during such period.

Permitted Encumbrances means, to the extent the title representation and warranty in Section 3.2 applies, any 'Permitted Encumbrances' as identified or described in Table 3 of Schedule 3 (*Transfer Details*).

Retained Obligations means all of the Existing Beneficiary's obligations, duties and liabilities under the GATS Trust Instrument and any GATS Security Instrument, excluding the Transferred Obligations.

Retained Rights means all of the Existing Beneficiary's rights, title and interest in, to and under the GATS Trust Instrument and any GATS Security Instrument, excluding the Transferred Beneficial Interest and the Transferred Rights.

Sale Agreement means the Related Document pursuant to which the parties to such Related Document agreed to sell or transfer, or cause the sale and transfer of, the Beneficial Interest effected by this Instrument.

Transferred Beneficial Interest means all of the Beneficial Interest, save to the extent allocable to

any interest in any Related Document which is not a New Related Document.

Transferred Related Documents means each Related Document as identified or described in Table 4 of Schedule 3 (*Transfer Details*).

Transferred Obligations means, after giving effect to the amendments referred to in Section 2.4, all of the Existing Beneficiary's obligations, duties and liabilities under the GATS Trust Instrument arising during or required to be performed during any period after the Effective Time.

Transferred Rights means, after giving effect to the amendments referred to in Section 2.4, all of the Existing Beneficiary's rights, title and interest in, to and under the GATS Trust Instrument arising during or relating to any period after the Effective Time.

Trustee means the person identified as the 'Trustee' in Schedule 2 (*Parties and Notice Details*).

2. ASSIGNMENT AND TRANSFER

2.1 Assignment and Transfer of Beneficial Interest

With effect from the Effective Time:

- (a) the Existing Beneficiary assigns and transfers all of the Transferred Beneficial Interest to the New Beneficiary, and the New Beneficiary accepts such assignment and transfer; and
- (b) the Trustee consents to the assignment and transfer of the Transferred Beneficial Interest to the New Beneficiary.

2.2 Assignment and Transfer of Rights and Obligations under GATS Trust Instrument

With effect from the Effective Time:

- (a) the Existing Beneficiary assigns and transfers all of the Transferred Rights and all of the Transferred Obligations to the New Beneficiary, and agrees that it is no longer entitled to the benefit of any of the Transferred Rights;
- (b) the New Beneficiary accepts such assignment and transfer, and agrees to perform the Transferred Obligations as the 'Beneficiary' under the GATS Trust Instrument; and
- (c) each of the Trustee and the Trust Company:
 - (i) consents to the assignment and transfer of the Transferred Rights and the Transferred Obligations to the New Beneficiary;
 - (ii) releases the Existing Beneficiary from all of the Transferred Obligations; and

- (iii) agrees to perform all of its obligations, duties and liabilities that are Transferred Rights in favor of the New Beneficiary.

2.3 Retained Rights and Retained Obligations

The Existing Beneficiary shall remain entitled to the Retained Rights and shall remain bound to perform the Retained Obligations, in each case as if the Existing Beneficiary had remained the 'Beneficiary' under the GATS Trust Instrument.

2.4 Amendment to the GATS Trust Instrument

With effect from the Effective Time:

- (a) schedule 2 (*Parties and Notice Details*) to the GATS Trust Instrument is amended to reflect the name and details of the New Beneficiary as the 'Beneficiary';
- (b) all references in the GATS Trust Instrument to the Existing Beneficiary or 'Beneficiary' are amended to refer to the New Beneficiary;
- (c) [intentionally omitted];
- (d) without prejudice to the Retained Obligations required to be performed by the Existing Beneficiary (including its obligations under section 8.1(a) of the Trust Instrument Master Terms), all references in the GATS Trust Instrument to the Related Documents or any Related Document (including the reference in section 8.1(a) of the Trust Instrument Master Terms) are amended to refer to, respectively, the New Related Documents or any New Related Document; and
- (e) the GATS Trust Instrument is otherwise amended to reflect the transactions described in Sections 2.1 to 3.2.

Except as amended and supplemented by this Instrument, the GATS Trust Instrument shall remain in full force and effect.

2.5 Ownership of Trust Estate

The Trustee has no beneficial, equitable or other interest in the Trust Estate other than bare legal ownership.

3. REPRESENTATIONS AND WARRANTIES

3.1 Ownership of Beneficial Interest

The Existing Beneficiary represents and warrants to the New Beneficiary, its successors and assigns that, immediately prior to the Effective Time, it is the sole beneficiary of the GATS Trust and, at the Effective Time, there is assigned and transferred to the New Beneficiary full legal and beneficial title to all of the Transferred

Beneficial Interest free and clear of all Security Interests.

3.2 Ownership of Aircraft Equipment

Unless this Section 3.2 is expressly disappplied as indicated in Table 2 of Schedule 3 (*Transfer Details*), each of the Existing Beneficiary and the Trustee represents and warrants to the New Beneficiary, its successors and assigns that, collectively and immediately prior to the Effective Time, the Trustee and the Existing Beneficiary have full legal and beneficial title to all of the Aircraft Equipment (including the Aircraft Equipment, if any, identified in Table 1 of Schedule 3 (*Transfer Details*)) free and clear of all Security Interests other than Permitted Encumbrances.

4. MISCELLANEOUS

4.1 [Intentionally Omitted]

4.2 [Intentionally Omitted]

4.3 Counterparts

This Instrument and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and all of which counterparts, taken together, shall constitute one and the same instrument.

4.4 Governing Law

THIS INSTRUMENT SHALL IN ALL RESPECTS BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF UTAH, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES THAT WOULD RESULT IN THE APPLICATION OF THE LAW OF ANOTHER JURISDICTION. THIS INSTRUMENT IS BEING DELIVERED IN THE STATE OF UTAH.

4.5 Waiver of Jury Trial

EACH PARTY TO THIS INSTRUMENT WAIVES, TO THE EXTENT PERMITTED BY APPLICABLE LAW, TRIAL BY JURY IN ANY LITIGATION IN ANY COURT WITH RESPECT TO, IN CONNECTION WITH, OR ARISING OUT OF THIS INSTRUMENT OR THE VALIDITY, PROTECTION, INTERPRETATION, COLLECTION OR ENFORCEMENT OF THIS INSTRUMENT. EACH PARTY TO THIS INSTRUMENT AGREES THAT THIS SECTION 4.5 IS A SPECIFIC AND MATERIAL ASPECT OF THIS INSTRUMENT AND ACKNOWLEDGES THAT THE OTHER PARTIES WOULD NOT HAVE ENTERED INTO

THIS INSTRUMENT AND CONSUMMATED
THE TRANSACTIONS CONTEMPLATED BY

THIS INSTRUMENT IF THIS SECTION 4.5
WERE NOT PART OF THIS INSTRUMENT.

* * *

IN WITNESS WHEREOF, this Instrument been duly executed by the parties hereto on the day and year first above written.

[EXISTING BENEFICIARY], as Existing Beneficiary

By: _____

Name: _____

Title: _____

[NEW BENEFICIARY], as New Beneficiary

By: _____

Name: _____

Title: _____

[TRUSTEE], as Trustee and, where expressly stated, in its individual capacity as the TRUST COMPANY

By: _____

Name: _____

Title: _____

SCHEDULE 1
Description of GATS Trust

Description of GATS Trust			
Trust Branch	UIN	Name	Date of Establishment
United States (UT)	[####]	GATS Trust [####]	[dd-mm-yyyy]

SCHEDULE 2
Parties and Notice Details

1.	Existing Beneficiary	
	Name:	<i>[to be populated manually]</i>
	Jurisdiction of formation, incorporation or organization:	<i>[to be populated manually]</i>
	Entity type:	<i>[to be populated manually]</i>
	Address:	<i>[to be populated manually]</i>
	Email:	<i>[to be populated manually]</i>
2.	New Beneficiary	
	Name:	<i>[to be populated manually]</i>
	Jurisdiction of formation, incorporation or organization:	<i>[to be populated manually]</i>
	Entity type:	<i>[to be populated manually]</i>
	Address:	<i>[to be populated manually]</i>
	Email:	<i>[to be populated manually]</i>
3.	Trustee	
	Name:	<i>[to be populated manually]</i>
	Jurisdiction of formation, incorporation or organization:	<i>[to be populated manually]</i>
	Entity type:	<i>[to be populated manually]</i>
	Address:	<i>[to be populated manually]</i>
	Email:	<i>[to be populated manually]</i>

SCHEDULE 3
Transfer Details

Table 1

Aircraft Equipment						
	Type [*]	Manufacturer	Model	Nationality and Registration Mark [**]	Serial Number (Aircraft Equipment)	Serial Numbers (Associated Engines) [***]
1.	[AA] [AE] [HL]	<i>[to be populated manually]</i>	<i>[to be populated manually]</i>	<i>[to be populated manually]</i>	<i>[to be populated manually]</i>	N/A OR <i>[to be populated manually]</i>
[OR]						
None. [2]						

[*] NOTE: '**AA**' means an aircraft (including any aircraft engines associated with it), '**AE**' means an aircraft engine not associated with an airframe; and '**HL**' means a helicopter.

[**] NOTE: Not applicable where the aircraft equipment type is an aircraft engine (AE). Where the aircraft equipment type is an aircraft (AA) or a helicopter (HL) but is otherwise unregistered on any national aircraft register, this should be noted here as 'UNREGISTERED'.

[***] NOTE: Not applicable where the aircraft equipment type is an aircraft engine (AE), as this would be entered into the previous column. Where the aircraft equipment type is an aircraft (AA) or a helicopter (HL), the serial number of each engine associated with such aircraft equipment, separated by a semi-colon, should be listed here.

Table 2

Ownership of Aircraft Equipment Representation
If checked, the representation and warranty in Section 3.2 APPLIES
If checked, the representation and warranty in Section 3.2 DOES NOT APPLY

Table 3

Permitted Encumbrances

² NOTE: GATS is permissive of 'empty' trusts whose corpus is nominally only \$1.00, should it be necessary, for example, to establish the trust prior to transferring the aircraft equipment into the trust.

Description or section reference to another document	[to be populated manually]
--	----------------------------

Table 4

Transferred Related Documents			
	Document Name	Date	Parties
1.	[to be populated manually]	[dd-mmm-yyyy]	[TRUSTEE], as trustee [describe each other counterparty]



GATS Security Instrument Master Terms
US TRUST BRANCH

(TRANSITIONAL FORM)

* * *

APPENDIX A Master Terms

* * *

1. [INTENTIONALLY OMITTED]
2. **DEFINITIONS AND INTERPRETATION**
- 2.1 Definitions

Unless otherwise defined in the terms of this Appendix A (these **Master Terms**), capitalized terms used in these Master Terms have the meaning given to them in the GATS Security Instrument. In these Master Terms:

Aircraft Equipment has the meaning given to such term in the GATS Trust Instrument.

Borrower Party means the Principal Borrower Party, Trustee, the Beneficiary and each affiliate of each such person.

Disposition means sale, assignment, transfer or other disposition of any kind whatsoever, and **Dispose** shall be construed accordingly.

Event of Default means an 'Event of Default', 'Termination Event' or such other term having equivalent meaning as defined in the Principal Finance Document or the Principal Security Agreement or, if (and only if) no such term is so defined:

- (a) any event which, by the express terms of the Finance Documents entitles any Finance Party to accelerate any debt owed to it or any other Finance Party under the Finance Documents; or
- (b) any event pursuant to which the Security Interest granted by the Principal Security Agreement becomes enforceable.

FAA Registration Period has the meaning given to such term in the Trust instrument Master Terms.

FAA Related Terms means the FAA Related Terms attached as Appendix B to the GATS Trust Instrument.

Finance Documents means:

- (a) the GATS Security Instrument;
- (b) each instrument effecting an assignment and transfer of the Security Interest granted or assigned to the Secured Party pursuant to Paragraph 7.3;
- (c) the Principal Finance Document;
- (d) the Principal Security Agreement, if any; and
- (e) each other document identified as a 'Finance Document' in the Principal Finance Document or the Principal Security Agreement for the purposes of the GATS Security Instrument and the Trust Documents.

Finance Party means:

- (a) the Secured Party; and

- (b) any other person identified in the Principal Finance Document or the Principal Security Agreement as a 'Finance Party' for the purposes of the GATS Security Instrument and the Trust Documents.

GATS Security Instrument means the GATS security instrument to which these Master Terms are attached as Appendix A.

Global Aircraft Trading System or **GATS** means the Global Aircraft Trading System, as more particularly described on the AWG website at <http://awg.aero/projects/gats/>.

Indebtedness means 'Indebtedness' as defined in the Principal Finance Document or such other term having equivalent meaning as defined, or if such term is not so defined, with respect to any person at any date of determination, without duplication:

- (a) all indebtedness of such person for borrowed money;
- (b) all obligations of such person evidenced by bonds, debentures, notes or other similar instruments;
- (c) all obligations of such person in respect of letters of credit or other similar instruments (including reimbursement obligations with respect thereto);
- (d) all the obligations of such person to pay the deferred and unpaid purchase price of property or services, which purchase price is due more than six months after the date of purchasing such property or service or taking delivery and title thereto or the completion of such services, and payment deferrals arranged primarily as a method of raising finance or financing the acquisition of such property or service;
- (e) all obligations of such person under a lease of (or other agreement conveying the right to use) any property (whether real, personal or mixed) that is required to be classified and accounted for as a capital lease obligation of such person under generally accepted accounting principles in the United States;
- (f) the amount of any liability in respect of any lease, hire purchase arrangement, conditional sale, or title retention arrangement which would, in accordance with generally accepted accounting principles, standards and practices in the United States, be treated as a balance sheet liability;
- (g) all 'Indebtedness' of other persons secured by a lien on any asset of such person, whether or not such Indebtedness is assumed by such person; and
- (h) all 'Indebtedness' of other persons guaranteed by such person.

Liabilities means any present or future payment or performance liabilities or obligations (actual or contingent) whether or not matured or liquidated, together with:

- (a) any refinancing, novation, deferral or extension of that liability;
- (b) any further advance which may be made under any agreement expressed to be supplemental to any document in respect of that liability, together with all related interest, fees and costs;
- (c) any claim for damages or restitution in the event of rescission of that liability or otherwise;
- (d) any claim flowing from any recovery by a payment or discharge in respect of that liability on the grounds of preference or otherwise; and
- (e) any amount (such as post-insolvency interest) which would be included in any of the above but for its discharge, non-provability, unenforceability or non-allowability in any bankruptcy, examinership, insolvency or other proceedings.

Material Action means consolidating or merging the Trust with or into any person, or selling all or substantially all of the assets of the GATS Trust, or instituting proceedings to have the GATS Trust be adjudicated bankrupt or insolvent, or consenting to the instituting of bankruptcy or insolvency proceedings against the GATS Trust or filing a petition seeking, or consenting to, reorganization, examinership or relief with respect to the GATS Trust under any applicable federal or state law relating to bankruptcy, or consenting to the appointment of a receiver, receiver and manager, judicial manager, administrator, administrative receiver, examiner, compulsory manager, liquidator, assignee, trustee, sequestrator (or other similar official) of the GATS Trust or a substantial part of the Trust Estate, or making any assignment for the benefit of creditors of the GATS Trust, or admitting in writing the GATS Trust's inability to pay its debts generally as they become due, taking action in furtherance of any such action or, to the fullest extent permitted by law, dissolving or liquidating the GATS Trust.

New Trustee means, in relation to an assignment and transfer by the Trustee of, inter alia, all of its Rights and Obligations under the GATS Security Instrument and the GATS Trust instrument, the person to whom all of such Rights and Obligations are or are to be assigned and transferred.

Obligations has the meaning given to such term in the ~~GATS~~-Trust Instrument [Master Terms](#).

Permitted Security Interest means:

- (a) the Security Interest granted pursuant to the GATS Trust Instrument; and
- (b) if applicable, any other Security Interest in any of the Collateral granted pursuant to or permitted by any Finance Document.

Release and Discharge means any instrument executed and delivered by the Secured Party pursuant to which, inter alia, the Secured Party releases and discharges

Security Interest granted pursuant to the GATS Security Instrument.

Rights has the meaning given to such term in the ~~GATS~~ Trust Instrument [Master Terms](#).

Security Interest means any mortgage, charge, pledge, security assignment, lien, other security interest, or any encumbrance, however created or arising.

Transfer Instrument has the meaning given to such term in the ~~GATS~~-Trust Instrument [Master Terms](#).

Trust Company means the person acting as Trustee, not in its capacity as trustee but in its individual capacity and for its own account.

Trust Document has the meaning given to such term in the ~~GATS~~-Trust Instrument [Master Terms](#).

Trust Estate has the meaning given to such term in the ~~GATS~~-Trust Instrument [Master Terms](#).

Trust Instrument Master Terms means the GATS Trust Instrument Master Terms attached as ~~Appendix~~ [appendix A](#) to the GATS Trust Instrument.

UCC means the Uniform Commercial Code as in effect in the State of New York or as in effect in any other applicable jurisdiction.

Unrelated Person means any person other than a subsidiary of any Principal Borrower Party.

2.2 Interpretation

- (a) Unless a contrary intention appears, a reference in the GATS Security Instrument to:
 - (i) the **Beneficiary**, the **Secured Party** or the **Trustee** shall be construed (A) to be a reference to it in its capacity as such and not in any other capacity, and (B) so as to include its successors in title, permitted assigns and permitted transferees;
 - (ii) a **person** includes any individual, firm, company, corporation, government, state, political subdivision or agency of a state or any association, trust, joint venture consortium, partnership or other entity (whether or not having separate legal personality);
 - (iii) **assets** or **property** includes present and future assets or properties, revenues and rights of every description;
 - (iv) a **law** or **regulation** includes any law, constitution, treaty, statute, law, decree, regulation, order (including an executive order), rule or directive of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organization, or any judicial or administrative interpretation or application of, or decision under, any of the foregoing;
 - (v) any provision of any law or regulation includes any such provision as amended, re-enacted or superseded by any other law or regulation;

- (vi) an **Article**, a **Clause**, a **Section**, an **Annex**, an **Appendix**, an **Exhibit** or a **Schedule** in the GATS Security Instrument is a reference to an article, clause or section of, or an annex, appendix, exhibit or a schedule to the GATS Security Instrument;
- (vii) any agreement, instrument or document, or any annex, schedule or exhibit to any of the foregoing, or any other part of the foregoing, includes that agreement, instrument or document, or annex, schedule or exhibit, or part, respectively, as amended, modified or supplemented from time to time in accordance with its terms, and any agreement, instrument or document amending, restating, replacing or substituting that agreement, instrument or document, or annex, schedule or exhibit, or part, respectively;
- (viii) words importing the plural include the singular and words importing the singular include the plural;
- (ix) **in writing** or **written** includes by electronic communication, unless otherwise stated; and
- (x) the date of the GATS Security Instrument is the date indicated on its front cover.
- (b) The words 'including' and terms and phrases of similar import mean, in each case, 'including, without limitation'.
- (c) Headings used in the GATS Security Instrument are for convenience only and shall not in any way affect the construction of, or be taken into consideration in interpreting, the GATS Security Instrument.
- (d) Each schedule, exhibit, annex and appendix to the GATS Security Instrument is incorporated in, and shall be deemed to be a part of, the GATS Security Instrument.
- (e) The GATS Security Instrument includes and shall be deemed to include these Master Terms.

3. SECURITY INTEREST

3.1 Limitations on Secured Party's Obligations

- (a) The Beneficiary shall remain liable under the GATS Trust Instrument to observe and perform all the conditions and obligations to be observed and performed by it under the GATS Trust Instrument, all in accordance with the terms and provisions of the GATS Trust Instrument.
- (b) The Secured Party shall not have:
 - (i) any obligation or liability under the GATS Trust Instrument by reason of or arising out of the GATS Security Instrument or the receipt by the Secured Party of any payment relating to the GATS Trust Instrument pursuant to the GATS Security Instrument; or
 - (ii) any obligation in any manner to perform any of the obligations of the Beneficiary under or pursuant to the GATS Trust Instrument, to

make any payment, to make any enquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party under the GATS Trust Instrument, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time.

3.2 Security Interest Absolute

All rights of the Secured Party, all Security Interests granted by and all obligations of the Beneficiary under the GATS Security Instrument shall not be adversely affected by:

- (a) any lack of validity or enforceability of the GATS Security Instrument or any Finance Document or any agreement or instrument relating to the GATS Security Instrument or any Finance Document;
- (b) failure of any holder of any Secured Obligations:
 - (i) to assert any claim or demand or to enforce any right or remedy against the Beneficiary or under the provisions of the GATS Security Instrument or any Finance Document or otherwise; or
 - (ii) to exercise any right or remedy against any other guarantor of, or collateral securing, any Secured Obligations;
- (c) any increase in the Secured Obligations, or any change in the time, manner or place of, payment of any Secured Obligations, or in any term of, or any other amendment or waiver of, or any consent to, or any departure from the GATS Security Instrument or any Finance Document;
- (d) any increase (including an increase in principal or interest rate), reduction, limitation, impairment or termination of any Secured Obligations for any reason, including amendment or any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to (and the Beneficiary hereby waives any right to or claim of) any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality, non-genuineness, irregularity, compromise, unenforceability of, or any other event or occurrence affecting, any Secured Obligations or otherwise;
- (e) any amendment to, rescission, waiver, novation, supplement, extension, replacement or other modification of (in each case, however fundamental and whether or not more onerous), or any consent to departure from, any of the terms of the Secured Obligations or the GATS Security Instrument or any Finance Document;
- (f) any exchange, release or non-perfection of any other collateral, or any release or amendment or waiver of, or consent to, or departure from any provision of the GATS Security Instrument or any Finance Document;

- (g) the release of the Beneficiary under the terms of any composition or arrangement with any creditor of the Beneficiary or any other person;
- (h) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Beneficiary or any other person;
- (i) any bankruptcy or insolvency proceedings, amalgamation, reconstruction or reorganization of the Beneficiary or any other person; or
- (j) any other circumstances which might otherwise constitute a defense available to, or a legal or equitable discharge of, the Beneficiary, any surety or any guarantor.

3.3 Continuing security

- (a) The Security Interest granted by the GATS Security Instrument:
 - (i) is a continuing Security Interest and will extend to the ultimate balance of the Secured Obligations until released or discharged by the Secured Party in accordance with the terms of the GATS Security Instrument;
 - (ii) will not be considered satisfied or discharged by any intermediate repayment or satisfaction of all or any part of the Secured Obligations; and
 - (iii) takes effect without prejudice to any other Security Interest granted in the Collateral by the Beneficiary in favor of the Secured Party pursuant to any other Finance Document.
- (b) If upon final repayment and satisfaction of the Secured Obligations there shall exist any right on the part of the Beneficiary or any other person to draw funds or otherwise which, if exercised, would or might cause the Beneficiary to become actually or contingently liable to the Secured Party, whether as principal debtor or as surety for another person, then the Secured Party will be entitled to retain the security created by the GATS Security Instrument and all rights, remedies and powers conferred by the GATS Security Instrument and the Collateral for so long as shall or might be necessary to secure the discharge of such actual or contingent liability.

3.4 Reinstatement

If any payment obligation of the Beneficiary, the Trustee or any other obligor under the Secured Obligations, or any discharge given by the Secured Party in respect of the Secured Obligations, is avoided or reduced as a result of bankruptcy, insolvency, any similar event or otherwise:

- (a) the liability of the Beneficiary, the Trustee or such obligor, as applicable, in respect of such payment, discharge, avoidance or reduction, and any Security Interest that was released and discharged as a result of such payment, discharge, avoidance or reduction, shall be reinstated and continue as if such payment, discharge, avoidance or reduction had not occurred; and

- (b) the Secured Party shall be entitled to recover the amount of such payment from the Beneficiary, the Trustee or such obligor, as applicable (and the liability to pay such amount shall form part of the Secured Obligations), as if the payment, discharge, avoidance or reduction had not occurred.

4. REPRESENTATIONS, WARRANTIES AND COVENANTS

4.1 Representations and Warranties of the Beneficiary

The Beneficiary hereby makes the following representations and warranties in favor of the Secured Party as of the date of the GATS Security Instrument.

(a) Status

It is an entity of the type specified in the corresponding box under 'Beneficiary' in schedule 2 (*Parties and Notice Details*) to the GATS Security Instrument and is duly incorporated, formed or organized and validly existing under the law of its jurisdiction of incorporation, formation or organization.

(b) Power and Authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorize its entry into, performance and delivery of the GATS Security Instrument and each Trust Document to which it is a party, and the transactions contemplated by each the GATS Security Instrument and each such Trust Document.

(c) Execution and Delivery

The GATS Security Instrument and each Trust Document to which the Beneficiary is a party has been duly executed and delivered by one or more signatories duly authorized to execute and deliver the GATS Security Instrument or such Trust Document for it or on its behalf.

(d) Binding Obligations

The obligations expressed to be assumed by it under the GATS Security Instrument and each Trust Document to which it is a party are legal, valid and binding obligations, enforceable against it in accordance with its terms, subject to any general principles of law limiting its obligations which are specifically referred to (or cross-referred to by reference to another document) in any Finance Document as expressly limiting the application of this representation and warranty.

(e) No Conflict

The entry into and performance by it of, and the transactions contemplated by, the GATS Security Instrument and each Trust Document to which it is a party do not and will not conflict with:

- (i) any law or regulation applicable to it;
- (ii) its constitutional documents; or

- (iii) any agreement, instrument or other document binding upon it or any of its assets.

(f) No Consents

Except as specifically provided in any Finance Document:

- (i) no consent or approval of any person or any governmental authority is required, or purports to be required, in connection with the execution, delivery and performance of the GATS Security Instrument and each Trust Document to which it is a party; and
- (ii) no defense, offset, counterclaim or claim which would materially adversely affect the value of the Collateral have been asserted or alleged against the Beneficiary.

(g) Ownership; no Security Interests

It owns all of the Pledged Beneficial Interest and, except to the extent expressly described in schedule 1 (*Description of GATS Trust*) to the GATS Security Instrument, no person other than the Beneficiary holds any beneficial interest in the Trust Estate or is a beneficiary of the GATS Trust and, except for Permitted Security Interests, it has not granted any Security Interest in the Collateral that has not been released and discharged prior to the time the GATS Security Instrument took effect.

(h) Uniform Commercial Code

- (i) No Trust Document expressly provides that the Pledged Beneficial Interest is a 'security' governed by Article 8 of the UCC, nor is it (nor is it of a type) that is dealt in or traded on any securities exchange or securities market within the meaning of Section 8-102(a)(15) of the UCC.
- (ii) The Beneficiary's exact legal name and jurisdiction of incorporation, formation or organization, are specified in the corresponding boxes under 'Beneficiary' in schedule 2 (*Parties and Notice Details*) to the GATS Security Instrument.
- (iii) The Beneficiary's 'location' (within the meaning of Section 9-307 of the UCC) is the jurisdiction or each of the jurisdictions specified in the corresponding box under 'Beneficiary' in schedule 2 (*Parties and Notice Details*) to the GATS Security Instrument.
- (iv) The GATS Trust's exact name is specified in schedule 1 (*Description of GATS Trust*) to the GATS Security Instrument.

4.2 Beneficiary Covenants

The Beneficiary makes the following covenants for the benefit of the Secured Party which shall remain in force at all times from and including the date of the GATS Security Instrument until the Security Interest granted pursuant to the GATS Security Instrument is released and discharged in accordance with Paragraph 9.

(a) Ownership; no Security Interests

It shall not, without the prior written consent of the Secured Party:

- (i) either in a single transaction or in a series of transactions and whether related or not, Dispose of all or any part of the Collateral or any interest in the Collateral (including any assignment or transfer of the Pledged Beneficial Interest), or enter into any agreement restricting its right or the right of the Secured Party to do so, except in each case to the extent permitted by the Finance Documents; or
- (ii) create or allow to exist any Security Interest over any of the Collateral except for any Permitted Security Interests, and it shall promptly take such action as may be necessary to discharge duly any such Security Interest.

(b) Amendments to Trust Documents

It shall not, without the prior written consent of the Secured Party, amend or modify, or enter into any agreement which has the effect of amending or modifying, any Trust Document or otherwise execute any Trust Document, except that, to the extent that the Trustee acquires or disposes of any Aircraft Equipment pursuant to and in accordance with the terms of the Principal Finance Document or the Principal Security Agreement, the Beneficiary shall be entitled to amend schedule 3 (*Aircraft Equipment*) to the GATS Trust Instrument accordingly without the consent of the Secured Party.

(c) Termination of GATS Trust

It shall not, without the prior written consent of the Secured Party, enter into any GATS Termination Instrument or otherwise agree to the termination of the GATS Trust.

(d) Uniform Commercial Code

It shall not:

- (i) execute any agreement, instrument or other document with the Trustee or the Trust Company which expressly provides that the Pledged Beneficial Interest is or will be a 'security' governed by Article 8 of the UCC;
- (ii) authorize the Trustee to issue any certificates in respect of or representing the Pledged Beneficial Interest; or
- (iii) except to the extent permitted by any Finance Document, change its name or change its 'location' (within the meaning of Section 9-307 of the UCC).

4.3 Trustee General Covenants

Unless this Paragraph 4.3 is expressly disappplied or replaced in its entirety by any provision in any Finance Document, the Trustee makes the following covenants for the benefit of the Secured Party which shall remain in force at all times from and including the date of the GATS Security Instrument until the

Security Interest granted pursuant to the GATS Security Instrument is released and discharged in accordance with Paragraph 9.

(a) Information Covenant

At the written request of the Secured Party, it will furnish to the Secured Party any duplicates or copies of all reports, notices, requests, demands, certificates, financial statements and other instruments which it is required to furnish to the Beneficiary pursuant to paragraph 6.2(d) of the Trust Instrument Master Terms.

(b) Amendments to Trust Documents

It shall not, without the prior written consent of the Secured Party, amend or modify, or enter into any agreement which has the effect of amending or modifying, any Trust Document, except that, to the extent that the Trustee acquires or disposes of any Aircraft Equipment pursuant to and in accordance with the terms of the Principal Finance Document or the Principal Security Agreement, it shall be entitled to amend schedule 3 (*Aircraft Equipment*) to the GATS Trust Instrument accordingly without the consent of the Secured Party.

(c) Termination of GATS Trust

It shall not, without the prior written consent of the Secured Party, enter into any GATS Termination Instrument or otherwise agree to the termination of the GATS Trust.

(d) Uniform Commercial Code

It shall not:

- (i) enter into any agreement, instrument or other document with the Beneficiary which expressly provides that the Pledged Beneficial Interest is or will be a 'security' governed by Article 8 of the UCC; or
- (ii) issue any certificates in respect of or representing the Pledged Beneficial Interest.

4.4 Trustee Limited Purpose Covenants

Unless this Paragraph 4.4 is expressly disapplied as indicated in schedule 3 (*Specific Information*) of the GATS Security Instrument, the Trustee makes the following covenants for the benefit of the Secured Party which shall remain in force at all times from and including the date of the GATS Security Instrument until the Security Interest granted pursuant to the GATS Security Instrument is released and discharged in accordance with Paragraph 9.

- (a) The Trustee will administer the GATS Trust such that the GATS Trust shall not engage in any business or other activity except as permitted by the terms of the Finance Documents.
- (b) Except to the extent otherwise required by applicable law, the Trustee shall not take any Material Action without the consent of the Secured Party.

(c) The Trustee, acting in such capacity, shall not employ or maintain any employees other than as required by any provision of applicable law; provided that neither the Trustee nor any employees of the Trust Company shall be deemed to be employees for purposes of this Paragraph 4.4.

(d) The Trustee, acting in such capacity, shall not incur any Indebtedness except as permitted by the terms of the Finance Documents, provided that neither the Beneficial Interest nor any obligations owed by the Trustee or the Trust Company to the Beneficiary under any Trust Document shall constitute Indebtedness.

(e) The Trustee will administer the GATS Trust such that the GATS Trust is a separate and readily identifiable business from, and independent of, each of the Unrelated Persons, it being understood that (i) the Unrelated Persons may publish financial statements that consolidate those of the GATS Trust and the Unrelated Persons, if to do so is required by any applicable law or accounting principles from time to time in effect and (ii) the subsidiaries of the GATS Trust may file consolidated tax returns with any such Unrelated Person and its or the GATS Trust's affiliates for tax purposes.

4.5 FAA Related Terms

At all times during any FAA Registration Period, the Secured Party agrees to be bound by paragraphs 3.3 and 8 of the FAA Related Terms to the extent described therein.

5. ENFORCEMENT

5.1 Remedies

Upon the occurrence and during the continuation of an Event of Default, the Secured Party may, at its option, do one, several or all of the following as the Secured Party in its sole discretion shall then elect:

- (a) upon notifying the Trustee in writing that the Security Interest granted by the GATS Security Instrument has become enforceable, exercise all rights, powers, options and discretions conferred on the Beneficiary and all consents, approvals, waivers and confirmations to be given by the Beneficiary under the GATS Trust Instrument, including the right to instruct the Trustee pursuant to paragraph 3.1 of the Trust Instrument Master Terms, and otherwise act as though it were the outright owner of all of the Pledged Beneficial Interest;
- (b) without notice except as specified in Paragraph 5.2(a) below, and subject to the restrictions on assignment and transfer specified in paragraph 10 of the Trust Instrument Master Terms (but without prejudice to the Secured Party's rights under Paragraph 5.1(a) above to instruct the Trustee):
 - (i) cause the Pledged Beneficial Interest to be transferred to it or any nominee and hold same in accordance with the UCC; and
 - (ii) Dispose of all or any part of the Collateral in one or more parcels (but may not Dispose of

less than all of the Pledged Beneficial Interest), at public or private Disposition, at any exchange, broker's board, any of the Secured Party's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as the Secured Party may deem commercially reasonable in its sole discretion; and

- (c) exercise in respect of all or any part of the Collateral, in addition to other rights and remedies provided for in the GATS Security Instrument or otherwise available to it, all of the rights and remedies of a secured party on default under the UCC.

5.2 Collection and Enforcement

- (a) In addition to any other notices required by applicable law, the Secured Party shall give to the Beneficiary at least ten days prior written notice of each public Disposition or any date after which a private Disposition or other intended Disposition of any of the Collateral under the GATS Security Instrument shall occur, and the Beneficiary agrees that such notice of such Disposition shall constitute reasonable notification.
- (b) The Secured Party shall not be obligated to make any Disposition of any of the Collateral, regardless of notice of any Disposition having been given. The Secured Party may adjourn any public or private Disposition from time to time by announcement at the time and place fixed for such Disposition, and such Disposition may, without further notice, be made at the time and place to which it was so adjourned.
- (c) Any cash held by the Secured Party as Collateral and all cash proceeds received by the Secured Party in respect of any Disposition of, collection from or other realization upon or distribution in respect of all or any part of the Collateral shall be held by the Secured Party as collateral for, and applied, as payment for any Secured Obligations.

5.3 Recognition by Trustee of Enforcement of Security Interest

Upon the Secured Party notifying the Trustee in writing that the Security Interest granted by this Instrument has become enforceable, all rights, powers, options and discretions conferred on the Beneficiary and all consents, approvals, waivers and confirmations to be given by the Beneficiary under the GATS Trust Instrument, including the right to instruct the Trustee pursuant to paragraph 3.2 of the Trust Instrument Master Terms, shall be exercisable only by or as directed by the Secured Party as if the Secured Party were named as 'Beneficiary' under the GATS Trust Instrument, and otherwise act as though it were the outright owner of all of the Beneficial Interest.

6. APPLICATION OF PROCEEDS

6.1 Payments and Proceeds under the GATS Trust Instrument

- (a) For the purposes of paragraph 4.2(a)(ii) of the Trust Instrument Master Terms, the balance of any payment received by the Trustee pursuant to the GATS Trust Instrument and any other amount received by it as part of the Trust Estate and for the application or distribution of which no provision is made in the GATS Trust Instrument shall be distributed and applied in accordance with Priority of Payments Provisions.

- (b) For the purposes of paragraph 4.2(b)(ii) of the Trust Instrument Master Terms (and subject always to the provisos set forth in such clause), the Secured Party hereby requires that all distributions to be made pursuant to the GATS Trust Instrument shall be made:

- (i) to the account identified for such purpose in the Principal Finance Document or the Principal Security Agreement;
- (ii) if no such account is identified, to such account as it may direct in writing from time to time; or
- (iii) if no such direction is given and to the extent permitted by the Principal Finance Document or the Principal Security Agreement, to such account as the Beneficiary shall from time to time direct in writing.

6.2 Application by Secured Party

Subject to Paragraph 6.4, all amounts received by the Secured Party in respect of any of the Collateral and all proceeds received by the Secured Party with respect to the exercise of remedies against all or any part of the Collateral shall be held by the Secured Party or its nominee and distributed and applied in accordance with Priority of Payments Provisions.

6.3 Turnover of Proceeds

Upon the occurrence and during the continuation of an Event of Default:

- (a) any payment received by the Beneficiary and any other amount received by it as part of the Collateral shall be held by the Beneficiary in trust for the Secured Party, segregated from other funds of the Beneficiary, and shall, immediately upon receipt by the Beneficiary, be turned over to the Secured Party in the exact form received by the Beneficiary (duly endorsed by the Beneficiary to the Secured Party, if required); and
- (b) any and all such proceeds received by the Secured Party (whether from the Beneficiary or otherwise) may, in the sole discretion of the Secured Party, be held by the Secured Party as Collateral and then or at any time thereafter may be applied by the Secured Party against, the Secured Obligations (whether matured or unmatured) in accordance with Priority of Payments Provisions.

6.4 Suspense Account

- (a) The remaining provisions of this Paragraph 6.4 shall not apply to the extent expressly disappplied or replaced in its entirety by any provision in the

Principal Finance Document or the Principal Security Agreement.

- (b) At any time while an Event of Default is continuing, if further sums which are not currently due and payable to a Finance Party may become due and payable to such Finance Party, any moneys received by the Secured Party (or any trustee or agent on its behalf) up to the amount of such further sums may be retained by the Secured Party (or any trustee or agent on its behalf) and, instead of being applied in or towards the discharge of the Secured Obligations, the Secured Party (or any trustee or agent on its behalf) may credit the amount to an interest-bearing suspense account (with interest at market rates being credited to that account) for payment of such amount to such Finance Party as and when it becomes due.

7. **ASSIGNMENT AND TRANSFER; TRUSTEE APPROVALS**

7.1 Assignments and Transfers Generally

The GATS Security Instrument shall be binding upon and shall inure to the benefit of, and shall be enforceable by, the parties to the GATS Security Instrument (including the Trustee in respect of those provisions by which it has agreed to be bound) and, subject to the remaining provisions of this Paragraph 7, their respective successors and permitted assigns.

7.2 No Assignment or Transfers by Beneficiary

The Beneficiary may not assign any of its rights or transfer any of its rights or obligations under the GATS Security Instrument.

7.3 Assignments and Transfers by Secured Party

(a) The Secured Party may assign and transfer:

- (i) all of its rights, title and interest in and to the Security Interest granted to it pursuant to the GATS Security Instrument (or assigned to it pursuant to another such assignment and transfer); and
- (ii) all or any of its rights under the GATS Security Instrument,

without the consent of the Beneficiary or the Trustee.

- (b) The Secured Party may grant a Security Interest in any of its rights under the GATS Security Instrument without the consent of the Beneficiary or the Trustee.

7.4 Assignments and Transfers by Trustee

The Trustee may not assign or transfer any of its Rights and Obligations under the GATS Security Instrument except pursuant to the execution and delivery of a Transfer Instrument in connection with the appointment of a New Trustee and an assignment and transfer of its Rights and Obligations to such New Trustee under the GATS Trust Instrument in accordance with paragraph 11 of the Trust Instrument Master Terms.

8. **AMENDMENTS; WAIVERS**

8.1 Amendments

The GATS Security Instrument may not be amended, modified, or otherwise altered, except by:

- (a) an amendment pursuant to, or to the extent permitted or contemplated by, the express terms of another Finance Document; or
- (b) an amendment effected pursuant to a written instrument executed by the Beneficiary, the Secured Party and the Trustee.

8.2 Waivers

Any provision of the GATS Security Instrument may be waived by the Secured Party in a written notice or instrument executed by the Secured Party and delivered to the Beneficiary and the Trustee in accordance with Paragraph 11.5.

9. **RELEASE AND DISCHARGE**

9.1 Release and Discharge of Security Interest

Upon the Secured Party being satisfied that the Secured Obligations have been irrevocably and unconditionally discharged in full, or to the extent the Secured Party is required to do so under any Finance Document, the Secured Party shall, at the request and cost of the Beneficiary, execute and deliver a Release and Discharge, without recourse to, and without any representations or warranties by, the Secured Party or any of its nominees.

9.2 UCC Termination Statements, etc.

At the request and cost of the Beneficiary concurrently with or following the execution and delivery of a Release and Discharge, the Secured Party shall execute, authorize and deliver to the Beneficiary, but without recourse, representation or warranty, such UCC termination statements and similar documents prepared by the Beneficiary which the Beneficiary shall reasonably request to evidence the release of the Collateral from the Security Interest granted by the GATS Security Instrument.

10. **SECURED PARTY'S APPOINTMENT AS ATTORNEY-IN-FACT**

(a) Powers

The Beneficiary hereby irrevocably constitutes and appoints the Secured Party with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Beneficiary and in the name of the Beneficiary or in its own name, from time to time upon the occurrence and continuation of an Event of Default, in the Secured Party's discretion, for the purpose of carrying out the terms of the GATS Security Instrument, to take any and all appropriate action and to execute, seal and deliver and otherwise perfect any and all documents and instruments which may be necessary or desirable to accomplish the purposes of the GATS Security Instrument, and, without limiting the generality of the foregoing, the Beneficiary hereby gives the Secured Party the power and right, on behalf of the Beneficiary, without notice

to or assent by the Beneficiary, to do the following upon the occurrence and continuation of an Event of Default:

- (i) in the case of any Collateral, in the name of the Beneficiary, its own name or otherwise, take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any agreement constituting part of or relating to the Pledged Beneficial Interest or with respect to any other Collateral and to file any claim or take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Secured Party for the purpose of collecting any and all such moneys due under any agreement constituting part of or relating to the Pledged Beneficial Interest or with respect to any other Collateral whenever payable;
- (ii) pay or discharge taxes and Security Interests levied or placed on or threatened against all or any part of the Collateral;
- (iii) direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Secured Party or as the Secured Party shall direct;
- (iv) ask or demand for, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral;
- (v) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any thereof and to enforce any other right in respect of any Collateral;
- (vi) to defend any suit, action or proceeding brought against the Beneficiary with respect to any Collateral;
- (vii) settle, compromise or adjust any suit, action or proceeding described in paragraph (vi) above and, in connection therewith, give such discharges or releases as the Secured Party may deem appropriate; and
- (viii) generally, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Secured Party were the absolute owner thereof for all purposes, and perform at the Secured Party's option and the Beneficiary's expense, at any time, or from time to time, all acts and things which the Secured Party reasonably deems necessary to protect, preserve or realize upon the Collateral and the Security Interest granted pursuant to the GATS Security Instrument and to effect the intent of the GATS Security Instrument, all as fully and effectively as the Beneficiary might do.

(b) Irrevocability

This power of attorney is a power coupled with an interest and shall be irrevocable.

(c) Other Powers

The Beneficiary also authorizes the Secured Party, at any time and from time to time, to execute, in connection with any Disposition contemplated by Paragraph 4.3, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral.

(d) Ratification

The Beneficiary ratifies and confirms all things done by any attorney appointed under this Paragraph in the exercise or purported exercise of all or any of such attorney's powers.

(e) Delegates

The Secured Party may delegate by power of attorney or in any other manner, to any person, any right, power or discretion exercisable by it under the GATS Security Instrument upon any terms (including the power to sub-delegate) as it may deem fit but no such delegation shall preclude the subsequent exercise of such power by the Secured Party itself or preclude the Secured Party from making a subsequent delegation thereof to some other person. Any such delegation may be revoked by the Secured Party at any time.

11. MISCELLANEOUS

11.1 Performance by the Secured Party of Beneficiary's Obligations

If the Beneficiary fails to perform or comply with any of its obligations under the GATS Security Instrument then the Secured Party may, upon the occurrence and continuation of an Event of Default, itself perform or comply, or otherwise cause performance or compliance of such obligation, and the reasonable expenses of the Secured Party incurred in connection with such performance or compliance, together with interest thereon, shall be payable by the Beneficiary to the Secured Party on demand and shall constitute Secured Obligations.

11.2 No Duty Imposed on Secured Party

The powers conferred on the Secured Party under the GATS Security Instrument are solely to protect the Secured Party's interests in the Collateral and shall not impose any duty upon the Secured Party to exercise any such powers. The Secured Party shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, directors, employees or agents shall be responsible to the Beneficiary for any act or failure to act under the GATS Security Instrument, except for its own gross negligence or willful misconduct.

11.3 Further Assurance

- (a) The Beneficiary hereby authorizes the Secured Party file against any financing or continuation statements under the UCC in any applicable jurisdiction in any applicable jurisdiction in respect of the Collateral.
- (b) At any time and from time to time, upon the written request of the Secured Party, and at the sole expense of the Beneficiary, the Beneficiary shall promptly do all such acts and execute all such documents (including assignments, transfers, security instruments, notarizations, registrations, notices and instructions) as the Secured Party may reasonably specify (and in such form as the Secured Party may reasonably require) in favor of the Secured Party or its nominee(s) to create, perfect and protect the Security Interest granted or intended to be granted over or in respect of the Collateral which may include the execution by the Beneficiary of a Security Interest over all or any of the assets constituting, or intended to constitute, the Collateral) or for the exercise of any of the rights, powers and remedies of the Secured Party provided by or pursuant to the GATS Security Instrument or by law, including the filing of any financing or continuation statements under the UCC in any applicable jurisdiction.

11.4 No Waiver; Cumulative Remedies

- (a) The Secured Party shall not by any act (except by a written notice or instrument executed and delivered in accordance with Paragraph 8.2), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy under the GATS Security Instrument or to have acquiesced in any default or in any breach of any of the terms and conditions of the GATS Security Instrument.
- (b) No failure to exercise, nor any delay in exercising, on the part of the Secured Party, any right, power or privilege under the GATS Security Instrument shall operate as a waiver of such right, power or privilege. No single or partial exercise of any right, power or privilege under the GATS Security Instrument shall preclude any other or further exercise of such right, power or privilege or the exercise of any other right, power or privilege. A waiver by the Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Secured Party would otherwise have on any future occasion.
- (c) The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any rights or remedies provided by law.

11.5 Notices

Unless otherwise expressly provided in the GATS Security Instrument, all notices, demands and other communications under the GATS Security Instrument shall be in writing and shall be delivered personally or sent by facsimile transmission or electronic mail, with a confirming copy sent by airmail, postage prepaid, and the date of personal delivery or facsimile transmission, as the case may

be, shall be the date of such notice, in each case addressed:

- (a) if to the Beneficiary, to the address, facsimile or email specified in the corresponding boxes under 'Beneficiary' in schedule 2 (*Parties and Notice Details*) to the GATS Security Instrument, as updated from time to time pursuant to a written notice delivered to each other party;
- (b) if to the Secured Party, to the address, facsimile or email specified in the corresponding boxes under 'Secured Party' in schedule 2 (*Parties and Notice Details*) to the GATS Security Instrument or as identified in the relevant instrument pursuant to which it became the 'Secured Party', in each case as updated from time to time pursuant to a written notice delivered to each other party; and
- (c) if to the Trustee, to the address, facsimile or email specified in the corresponding boxes under 'Trustee' in schedule 2 (*Parties and Notice Details*) to the GATS Security Instrument, as updated from time to time pursuant to a written notice delivered to each other party.

Each such notice, demand, or other communication shall be effective when received or, if made by facsimile, when confirmed, or otherwise, when delivered to the address specified above.

11.6 Severability

If any provision of the GATS Security Instrument shall be held invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions of the GATS Security Instrument shall continue to be fully effective.

11.7 Headings; References

The headings and the table of contents used in the GATS Security Instrument are for convenience of reference only and shall not define or limit any of the terms or provisions of the GATS Security Instrument and shall not in any way affect the construction of, or be taken into consideration in interpreting, the GATS Security Instrument.

11.8 [Intentionally Omitted]

11.9 Third Party Beneficiaries

Except as expressly provided or contemplated in the GATS Security Instrument, the Principal Finance Document or the Principal Security Agreement, nothing in the GATS Security Instrument, whether express or implied, shall be construed to give any person other than the parties to the GATS Security Instrument any legal or equitable right, remedy or claim under or in respect of the GATS Security Instrument, and the GATS Security Instrument shall be held to be for the sole and exclusive benefit of the parties to it.

12. GOVERNING LAW AND JURISDICTION

12.1 [Intentionally Omitted]

12.2 Jurisdiction

- (a) The remaining provisions of this Paragraph 12.2 shall not apply to the extent expressly disappplied or replaced in its entirety by any provision in the Principal Finance Document or the Principal Security Agreement.
 - (b) Each of the parties to the GATS Security Instrument:
 - (i) agrees that the Supreme Court of the State of New York sitting in the Borough of Manhattan, and the United States District Court for the Southern District of New York sitting in the Borough of Manhattan, and any appellate court from any thereof, shall have jurisdiction to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise out of or in connection with the GATS Security Instrument and, for such purposes, submits to the jurisdiction of such courts; and
 - (ii) waives any objection which it might now or hereafter have to such United States federal or New York State courts being nominated as the forum to hear and determine any suit, action or proceeding, and to settle any disputes, which may arise out of or in connection with the GATS Security Instrument and agrees not to claim that any such court is not a convenient or appropriate forum.
 - (c) Each of the parties to the GATS Security Instrument agrees that the process by which any suit, action or proceeding is begun may be served on it by being delivered in connection with any suit, action or proceeding in any such New York State or federal court, consents to receive any such service of process:
 - (i) directly at the address determined for such party pursuant to Paragraph 11.5; and/or
 - (ii) to the process agent, if any, identified in the Primary Finance Document or the Primary Security Agreement, as its designee, appointee and agent to receive, accept and acknowledge for and on its behalf such service of legal process.
 - (d) Nothing in the GATS Security Instrument will affect the right of any party to the GATS Security Instrument to serve process in any other manner permitted by law.
- (i) suit, legal action or proceeding;
 - (ii) jurisdiction of any court;
 - (iii) relief by way of injunction or order for specific performance or recovery of property;
 - (iv) attachment of its assets (whether before or after judgment);
 - (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any immunity in any such proceedings); and
 - (vi) service of process, notice or any other legal process.
- (c) Each of the parties to the GATS Security Instrument agrees that the waivers set out in this Paragraph 12.3 are effective to the fullest extent permitted under the U.S. Foreign Sovereign Immunities Act of 1976 (28 U.S.C. Sections 1602 to 1611, as amended), and are intended to be irrevocable and not subject to withdrawal for purposes of such Act.

12.3 Waiver of Immunities

- (a) The remaining provisions of this Paragraph 12.3 shall not apply to the extent expressly disappplied or replaced in its entirety by any provision in the Principal Finance Document or the Principal Security Agreement.
- (b) Each of the parties to the GATS Security Instrument irrevocably waives and agrees not to plead or claim, to the fullest extent permitted by law, with respect to itself, its revenues, its assets (irrespective of their use or intended use) and its obligations under the GATS Security Instrument, all immunity on the grounds of sovereignty or otherwise from:

Comparison Details	
Title	pdfDocs compareDocs Comparison Results
Date & Time	11/10/2019 19:54:04
Comparison Time	1.98 seconds
compareDocs version	v4.3.306.6

Sources	
Original Document	[#64166148] [v4] C.09T GATS - Security Instrument Master Terms (US-TRANSITIONAL).docx
Modified Document	[#64166148] [v5] C.09T GATS - Security Instrument Master Terms (US-TRANSITIONAL).docx

Comparison Statistics	
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Deletions	5
Changes	1
Moves	0
Font Changes	0
Paragraph Style Changes	0
Character Style Changes	0
TOTAL CHANGES	16

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<u>Insertions</u>	
Deletions	
<u>Moves</u> / Moves	
Font Changes	
Paragraph Style Changes	
Character Style Changes	
Inserted cells	
Deleted cells	
Merged cells	
Changed lines	Mark left border.
Comments color	By Author.
Balloons	False

compareDocs Settings Used	Category	Option Selected
Open Comparison Report after Saving	General	Always
Report Type	Word	Formatting
Character Level	Word	False
Include Headers / Footers	Word	True
Include Footnotes / Endnotes	Word	True
Include List Numbers	Word	True
Include Tables	Word	True
Include Field Codes	Word	True
Include Moves	Word	True
Show Track Changes Toolbar	Word	True
Show Reviewing Pane	Word	True
Update Automatic Links at Open	Word	[Yes / No]
Summary Report	Word	End
Include Change Detail Report	Word	End
Document View	Word	Print

Remove Personal Information	Word	False
Flatten Field Codes	Word	False