**INSTRUCTIONS**

This request letter may be completed by a professional trustee seeking to be pre-cleared as a trustee for the Global Aircraft Trading System (GATS).

When completing the request letter, an applicant must select which jurisdiction (also known as a GATS Trust Branch) it is applying for in Paragraph 2 of the APPENDIX. If applying for pre-clearance with respect to more than one GATS Trust Branch, an applicant should submit separate applications for each GATS Trust Branch for which it is applying, even if applying with respect to more than one GATS Trust Branch simultaneously (though applicants applying with respect to a United States jurisdiction may check both trust types in one application, if applicable).

In order to be considered, an applicant must be authorised to act as a professional trustee under the laws of the selected GATS Trust Branch. Additionally, an applicant must indicate, in Paragraph 3 of the APPENDIX, which of the three types of applicants it is applying as: (A) a professional trustee that is regulated as a bank in the selected GATS Trust Branch (**APPLICANT TYPE A**), (B) a professional trustee that is not regulated as a bank in the selected GATS Trust Branch but that is an affiliate either of a regulated bank in a GATS Trust Branch or of a pre-cleared GATS trustee in full compliance with the requirements of the request letter (**APPLICANT TYPE B**) or (C) a professional trustee that does not qualify as an APPLICANT TYPE A or APPLICANT TYPE B (**APPLICANT TYPE C**).

Every applicant will need to provide, as part of its application, a legal opinion stating that it is authorised to act as a professional trustee under the laws of the selected GATS Trust Branch.

Every applicant will also need to provide (each as more fully described in the request letter):

1. for APPLICANT TYPE A, a legal opinion stating that the Applicant is regulated as a bank and is authorised to exercise one or more banking powers under the laws of the selected GATS Trust Branch;
2. for APPLICANT TYPE B, (1) a legal opinion (or certificate) stating that the applicant is an affiliate of the entity designated in Table 2 of Paragraph 3 of the APPENDIX and (2) if such designated affiliate is a bank, a legal opinion stating that such affiliate is regulated as a bank and is authorised to exercise one or more banking powers under the laws of such affiliate’s GATS Trust Branch;
3. for APPLICANT TYPE C, a letter from an independent third-party stating that the applicant maintains and effectively applies appropriate ‘know your customer’, anti-money laundering, anti-corruption, sanctions, or anti-terrorism funding laws, and other related legal policies and procedures as applicable to regulated banks in the selected GATS Trust Branch.

Such opinions as described above can be provided as combined or separated opinions, as appropriate.

These instructions are being provided by the Aviation Working Group (AWG) as guidance only and shall not affect the meaning or terms of the request letter or the obligations of an applicant thereunder.

|  |  |
| --- | --- |
| **From:** | The APPLICANT (the “**Applicant**”) named in Paragraph 1 of the APPENDIX to this letter |
|  |  |
| **To:** | AVIATION WORKING GROUP |
|  | Attn: Jeffrey Wool, Secretary General |
|  | Email: Jeffrey.Wool@awg.aero |
|  |  |
| **Date:** | The application date indicated in Paragraph 1 of the APPENDIX |

**Letter Requesting Pre-Clearance as a GATS Trustee for the Global Aircraft Trading System (GATS)**

Reference is made to the Global Aircraft Trading System (https://e-gats.aero/) (“**GATS**”), which has been established in coordination with the Aviation Working Group (“**AWG**”). AWG is responsible for reviewing requests from applicants requesting to be pre-cleared as a GATS trustee.

In this letter (this “**Request Letter**”), capitalised terms used but not defined in this Request Letter take their respective meanings from the GATS e-Terms (the “**GATS e-Terms**”) posted on GATS as of the date hereof, and the following terms have these meanings:

“**opinion of counsel**” means an opinion issued by an independent counsel satisfactory to AWG and whose assumptions, qualifications, and exceptions, taken as a whole, would not require AWG to investigate facts to determine the accuracy or effects of the items opined on; and

“**third-party letter**” means an opinion or reliance letter issued by an independent party satisfactory to AWG and whose assumptions, qualifications, and exceptions, taken as a whole, would not require AWG to investigate facts to determine the accuracy or effects of the items addressed in that letter.

The Applicant wishes to apply for pre-clearance as a GATS Trustee in the Trust Branch and jurisdiction indicated in Paragraph 2 of the APPENDIX.

In consideration of AWG agreeing to review this request letter and, if appropriate in AWG’s sole discretion, pre-clearing the Applicant as a GATS Trustee:

1. The Applicant represents and warrants that, under the laws of the jurisdiction indicated in Paragraph 2 of the APPENDIX, it is authorised to act as a professional trustee, and covenants that it will remain authorised under the laws of such jurisdiction to act as a professional trustee so long as it is a trustee with respect to a GATS Trust on GATS.
2. If the Applicant has indicated in Paragraph 3 of the APPENDIX that it is either APPLICANT TYPE A or APPLICANT TYPE B, the Applicant represents and warrants that under the laws of its jurisdiction that:
	1. if it has indicated in Paragraph 3 of the APPENDIX that it is APPLICANT TYPE A, it is regulated as a bank and is authorised to exercise one or more banking powers or activities in such jurisdiction; or
	2. if it has indicated in Paragraph 3 of the APPENDIX that it is APPLICANT TYPE B, one or more of its Affiliates, identified in Table 2 of Paragraph 3 of the APPENDIX, is either (i) under the laws of such Affiliate’s jurisdiction, regulated as a bank and is authorised to exercise one or more banking powers or activities in such jurisdiction (“**Banking Affiliate**”) or (ii) a pre-cleared GATS trustee in full compliance with the requirements of this Request Letter (“**Pre-Cleared Affiliate**”).

For purposes of this paragraph 2 and paragraphs 3 and 11 below, an “**Affiliate**” of an entity shall mean any other entity directly or indirectly controlling, controlled by or under common control with such entity.

For purposes of paragraphs 3 and 4 below and the APPENDIX, a “**Designated Affiliate**” shall mean either a Banking Affiliate or a Pre-Cleared Affiliate, as applicable.

1. The Applicant **ATTACHES TO THIS REQUEST LETTER** an opinion or opinions of counsel addressed to AWG, in each applicable jurisdiction, stating that under the laws of such jurisdiction, the Applicant is authorised to act as a professional trustee, and:
	1. if it has indicated in Paragraph 3 of the APPENDIX that it is APPLICANT TYPE A, the Applicant is regulated as a bank and is authorised to exercise one or more banking powers; or
	2. if it has indicated in Paragraph 3 of the APPENDIX that it is APPLICANT TYPE B and has selected in Table 2 of Paragraph 3 of the APPENDIX that its Designated Affiliate is a Banking Affiliate, (i) under the laws of Banking Affiliate’s jurisdiction, the Banking Affiliate is regulated as a bank and is authorised to exercise one or more banking powers and (ii) the Applicant is an Affiliate of the Banking Affiliate; or
	3. if it has indicated in Paragraph 3 of the APPENDIX that it is APPLICANT TYPE B and has selected in Table 2 of Paragraph 3 of the APPENDIX that its Designated Affiliate is a Pre-Cleared Affiliate, the Applicant is an Affiliate of the Pre-Cleared Affiliate;

provided that AWG may accept from the Applicant, as a replacement for the opinion described in this paragraph 3 as to the Applicant’s affiliation with the Designated Affiliate, a certificate from an acceptable officer of the Applicant certifying such affiliation. The Applicant agrees that the determination of whether the form, substance, provider and acceptability of the opinion(s) and certificates described in this paragraph 3 are satisfactory, shall, in each case, be by AWG in its sole discretion.

1. The Applicant represents and warrants that it maintains and effectively applies, and covenants that it will maintain and effectively apply, policies and procedures designed to comply with all ‘know your customer’, anti-money laundering, anti-corruption, sanctions, or anti-terrorism funding laws, and other legal requirements and obligations that would need to be satisfied (a) in its jurisdiction, and (b) if it has indicated in Paragraph 3 of the APPENDIX that it is APPLICANT TYPE B, in the jurisdiction of Designated Affiliate, in each case substantively equivalent to those applicable in such jurisdiction(s) both (x) to an entity regulated as a bank and (y) to an entity acting as a professional trustee.
2. If the Applicant has indicated in Paragraph 3 of the APPENDIX that it is APPLICANT TYPE C, the Applicant **ATTACHES TO THIS REQUEST LETTER** a third-party letter addressed to AWG that (a) states that the Applicant maintains and effectively applies policies and procedures designed to comply with all ‘know your customer’, anti-money laundering, anti-corruption, sanctions, or anti-terrorism funding laws, and other legal requirements and obligations that would need to be satisfied in its jurisdiction substantively equivalent to those applicable in such jurisdiction both (i) to an entity regulated as a bank and (ii) to an entity acting as a professional trustee and (b) includes a representation from such third-party letter provider that it has the requisite experience and expertise to adequately examine the policies and procedures used by the Applicant for purposes of verifying compliance with the standard set forth in the preceding sub-part 5(a); provided that if solely due to a lack of sufficient samples of procedures for auditing purposes, the Applicant is able to provide such letter relating only to such policies, and not such procedures, then such letter may be provided relating to policies only so long as a follow-on letter relating to such procedures is provided to AWG within one year of such initial letter. The Applicant agrees that the determination of whether the the form, substance and provider of the letters and certificates referred to in this paragraph 5 and in paragraphs 6 and 7 below are, in each case, satisfactory, shall be by AWG in its sole discretion.
3. If the Applicant has indicated in Paragraph 3 of the APPENDIX that it is APPLICANT TYPE C, the Applicant agrees to provide AWG, on an annual basis, a certificate from an acceptable officer of the Applicant certifying that it maintains and effectively applies policies and procedures designed to comply with all ‘know your customer’, anti-money laundering, anti-corruption, sanctions, or anti-terrorism funding laws, and other legal requirements and obligations that would need to be satisfied in its jurisdiction substantively equivalent to those applicable in such jurisdiction both (a) to an entity regulated as a bank and (b) to an entity acting as a professional trustee.
4. If the Applicant has indicated in Paragraph 3 of the APPENDIX that it is APPLICANT TYPE C, the Applicant agrees to provide AWG, on a triennial basis:
	1. if the Applicant has indicated in Paragraph 2 of the APPENDIX the jurisdiction of Ireland, with either (i) an updated third-party letter stating the same as set forth in paragraph 5 above or (ii) a letter from the Department of Justice and Equality of Ireland, Anti-Money Laundering Compliance Unit, stating that the Applicant demonstrates compliance with the requirements of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 as amended of Ireland; or
	2. if the Applicant has indicated in Paragraph 2 of the APPENDIX a jurisdiction other than Ireland, with an updated third-party letter stating the same as set forth in paragraph 5 above.

The Applicant agrees that, based on AWG’s continuing assessment of each relevant jurisdiction’s ‘know your customer’, anti-money laundering, anti-corruption, sanctions, or anti-terrorism funding laws, and other similar legal requirements and obligations of such jurisdiction, AWG may, in its sole discretion, determine that the applicable letter described in this paragraph 7 will be required from the Applicant more frequently than on a triennial basis. The Applicant agrees it shall provide such letter on such basis if AWG makes such a determination.

1. The Applicant agrees that, promptly after receipt of a Pre-Clearance Confirmation (as defined below), it will enter into an Agreement to Participate (as defined in the GATS e-Terms), which, among other things, incorporates the GATS e-Terms. Upon such Agreement to Participate taking effect, the Applicant shall be deemed a cleared GATS Trustee on GATS for purposes of its Agreement to Participate. The Applicant agrees to take the administrative steps requested by AWG to effect that final clearance on GATS.
2. In consideration of providing professional trustee services to any person who indicates to it that, in relation to a trust in respect of which the Applicant will be the trustee and such person the beneficiary, it intends that such trust shall be migrated onto GATS, the Applicant agrees that it shall charge fees with respect to each Designated Transaction (or transaction that would be a Designated Transaction once such trust is migrated onto GATS) in accordance with the terms described in the SCHEDULE to this Request Letter.
3. The Applicant agrees that it shall provide such other documentation or information as requested by AWG from time to time in connection herewith.
4. The Applicant agrees that:
	1. to the maximum extent permitted by law, AWG and its members and sub-contractors (including the GATS e-Ledger Support Provider), and any of its and their respective Affiliates, shareholders, directors, officers, or employees (the “**relevant parties**”) will not be liable to any other party or any other person, including Applicant, whether in contract, tort (including negligence), for breach of statutory duty, or otherwise, arising under or in connection with GATS or participation in GATS for (i) loss of profits, (ii) loss of sales or business, (iii) loss of agreements or contracts, (iv) any indirect or consequential loss whether or not foreseeable, even where the likelihood of such loss or damage has been advised, or (v) the pre-clearing, refusal to pre-clear, revocation of pre-clearance or delay in pre-clearing the Applicant as a GATS Trustee, or any other action taken or not taken in connection therewith, including taking or refraining to take any action relating to any court order;
	2. except as expressly stated in the Agreement to Participate or the GATS e-Terms, AWG gives no representations, warranties or obligations in relation to GATS or its participation in GATS, and the term implied by s.13 of the Supply of Goods and Services Act 1982 is, to the maximum extent permitted by law, excluded from each such agreement;
	3. except as expressly stated in the Agreement to Participate or the GATS e-Terms, under no circumstances shall any of the relevant parties have liability to any party, including to the Applicant; and
	4. it waives the right to make claims against the relevant parties to the extent set out above.
5. The Applicant agrees that, upon first becoming aware of a change (or anticipated change in the future) of its status as an authorised professional trustee or of its applicant type as described in Paragraph 3 of the APPENDIX (including, but not limited to, a change in the status (as relates to the terms of this Request Letter) of its Designated Affiliate or a change in the Applicant’s affiliation to its Designated Affiliate, if applicable) it shall immediately (and in any event no later than 60 days prior to the effective date of such change) notify AWG of such change. If requested by AWG in its sole discretion, the Applicant will then make a fresh clearance or pre-clearance application in accordance with the GATS policies and procedures then in effect for such purpose. The Applicant shall provide notice to AWG of any change to its contact details provided in Paragraph 1 of the APPENDIX. Any notifications to be made to AWG in connection with this Request Letter shall be sent to the attention of Jeffrey Wool at the address details set forth above (or to another recipient as provided for on GATS).

The Applicant requests that, if AWG determines that the Applicant meets the requirements to be pre-cleared in the jurisdiction indicated in Paragraph 2 of the APPENDIX and is otherwise in compliance with the terms of this Request Letter, AWG execute and deliver to the Applicant a confirmation letter (a “**Pre-Clearance Confirmation**”). Any such Pre-Clearance Confirmation, including the Applicant’s status as a cleared GATS Trustee as described in paragraph 8 above, shall be fully revocable if AWG determines, in its sole discretion, that the Applicant ceases to be be in compliance with the terms of this Request Letter or the GATS e-Terms.

This letter and any non-contractual obligations arising in connection with it, are governed by and shall be interpreted in accordance with the laws of England.

Yours truly,

Applicant name:

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name:

Title:

**SCHEDULE**

**to**

**Letter Requesting Pre-Clearance as a Trustee for the Global Aircraft Trading System (GATS)**

GATS Fee Schedule

*Trustee Fees[[1]](#footnote-1)+*

1. **GATS Trust**

-- $0 initial or up-front or set-up fee

-- $2,500 annual fee for trust (GATS Trustee and Beneficiary to agree timing of payment)

-- $2,000 early termination fee if trust is terminated within five (5) years of trust formation

(the above, the **Basic GATS Trust Fee**)

2. **GATS Trust with standard debt\*/
\*/Security Interest Grant (and Aircraft Mortgage and Lease Assignment)**

-- Basic GATS Trust Fee plus $2,000 one-time initial, set-up fee

3. **GATS Trust with or without standard debt (a) which involves materially more work by the Trustee than customarily required in such transaction, or (b) which involves a transition trust (executed prior to the effective date of GATS) to be become a GATS Trust (after the effective date of GATS)**

-- As agreed between the GATS Trustee and Beneficiary, provided that in the case of 3(b) above, any additional fee would be a one-time amount limited to additional work needed to enter into the amended and restated GATS Trust on GATS

4. **Beneficial Interest Transfer**

-- $1,500 transfer fee

NOTE: AWG will review the above fees from time-to-time in accordance with Clause 13.1(f)(iii) of the GATS e-Terms.

**APPENDIX**

**Applicant Information**

1. **Contact Details**

|  |  |
| --- | --- |
| Applicant Name: | Click here to enter text. |
| Applicant Contact: | Click here to enter text. |
| Applicant Email: | Click here to enter text. |
| Application Date: | Click here to enter text. |

2. **Trust Branch(es) and Jurisdictions**

Check one jurisdiction (and, if checking a United States jurisdiction, check one or both trust types, as applicable):

|  |  |  |
| --- | --- | --- |
|  | **Trust Branch and Type** | **GATS Trust Branch Code** |
| [ ]  | United States, Utah (common law trusts) | [US-UT] |
| [ ]  | United States, Utah (business trusts) | [US-UT-B] |
| [ ]  | United States, Delaware (common law trusts) | [US-DE] |
| [ ]  | United States, Delaware (statutory trusts) | [US-DE-S] |
| [ ]  | Ireland | [IE] |
| [ ]  | Singapore | [SG] |

3. **Applicant Type**

TABLE 1

Check one:

|  |  |  |
| --- | --- | --- |
| [ ]  | Applicant Type A | Applicant is regulated as a bank in the above selected Trust Branch |
| [ ]  | Applicant Type B | Applicant is an Affiliate of a Designated Affiliate (as further described in Table 2 below) |
| [ ]  | Applicant Type C | Applicant is neither regulated as a bank in the above selected Trust Branch nor is an Affiliate of a Designated Affiliate |

TABLE 2

NOTE: leave blank unless Applicant has selected APPLICANT TYPE B.

Designated Affiliate details:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Check one: | [ ]  | Applicant’s Designated Affiliate is a Bank\* (a **Banking Affiliate**) | [ ]  | Applicant’s Designated Affiliate is a Pre-Cleared GATS Trustee (a **Pre-Cleared Affiliate**) |
| Designated Affiliate Name: | Click here to enter text. |
| Designated Affiliate Jurisdiction[[2]](#footnote-2)\*: | Click here to enter text. |

1. + This fee schedule does not apply with respect to GATS Trusts involving business aircraft. [↑](#footnote-ref-1)
2. \* The jurisdiction of the Banking Affiliate should be one of the GATS Trust Branches listed in Paragraph 2 of this APPENDIX. APPLICANT TYPE B Applicants whose Banking Affiliate’s jurisdiction is not a GATS Trust Branch will be considered by AWG on a case by case basis, so long as such Banking Affiliate’s jurisdiction (a) applies ‘know your customer’, anti-money laundering, anti-corruption, sanctions, or anti-terrorism funding laws, and other legal requirements and obligations both (1) to entities regulated as banks and (2) to entities acting as professional trustees, and (b) conducts supervision, oversight and enforcement with respect to such legal requirements and obligations, in each case substantively equivalent to that in the Applicant’s jurisdiction. [↑](#footnote-ref-2)