



A&L Goodbody

Our ref | DJB 01424145

Your ref |

Date | 1 June 2020

Aviation Working Group

Global Aircraft Trading System (GATS)

Dear Sirs

We have been asked to opine as the enforceability under Irish law of the GATS Instruments.

- 1 We have examined the standard form GATS instruments listed in the Schedule (together the **GATS Instruments** and each a **GATS Instrument**).
- 2 Capitalised terms used but not otherwise defined in this opinion shall have the meanings given to them in (or incorporated by reference into) the GATS Instruments. A GATS Party incorporated or registered in Ireland is referred to in this opinion as an **Irish GATS Party**.
- 3 We express no opinion as to any matters falling to be determined other than under the laws of Ireland and, without reference to provisions of other laws imported by Irish private international law, in Ireland as of the date of this letter. Subject to that qualification and to the other qualifications set out herein, we are of the opinion that:
 - 3.1 the obligations under the GATS Instruments are valid and legally binding on and are in a form capable of enforcement against the parties thereto under the laws of Ireland in the courts of Ireland, in accordance with their terms;
 - 3.2 other than the requirement for the relevant Trust Company to register as a trust company service provider pursuant to the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010, no authorisations, approvals, licences, exemptions or consents of governmental or regulatory authorities with respect to the GATS Instruments are required to be obtained in Ireland;
 - 3.3 the GATS Instruments will not be liable to any stamp duty, registration tax or any similar tax or duty imposed by a competent authority of or within Ireland;
 - 3.4 the Irish courts will recognise the security interests created by the GATS Security Instrument as valid security interests over the assets which are expressed to be subject to it; and
 - 3.5 it is not necessary or advisable under the laws of Ireland in order to ensure the legality, validity, enforceability or priority of the obligations or rights of any party to the GATS Instruments, or the perfection or priority of any security interest created under the GATS Security Instrument, that any GATS Instrument be filed, registered, recorded, or notarised in any public office or elsewhere or that any other instrument relating thereto be signed, delivered, filed, registered or recorded other than, in the case of an Irish GATS

Party, the requirement to file particulars of the charges purported to be created pursuant to the GATS Security Instrument with the Irish Registrar of Companies.

- 4 The opinions set forth in this opinion letter are given subject to the following qualifications:
 - 4.1 in order for a GATS Instrument to be valid and binding against an Irish GATS Party, such Irish GATS Party must:
 - 4.1.1 duly execute and unconditionally deliver such GATS Instrument (electronically through the GATS electronic platform);
 - 4.1.2 have all necessary capacity and power, and must obtain all necessary consents, licences and approvals to enter into such GATS Instrument and to perform its obligations thereunder;
 - 4.1.3 validly authorise the entry into such GATS Instrument;
 - 4.1.4 enter into such GATS Instrument in good faith, for its legitimate business purposes, for good consideration, without any fraudulent purpose or intention and, without any intention to prefer any creditor over any other creditor;
 - 4.1.5 derive commercial benefit from the transaction effected by such GATS Instrument commensurate with the risks undertaken by it in such transaction; and
 - 4.1.6 not be insolvent, unable to pay its debts or deemed unable to pay its debts under any applicable law at the time of entry into such GATS Instrument;
 - 4.2 in each case, as a matter of all relevant laws other than the laws of Ireland:
 - 4.2.1 all obligations under each GATS Instrument must be valid, legally binding and enforceable in accordance with their terms against the parties thereto;
 - 4.2.2 the choice of the laws of Ireland as the governing law of each GATS Instrument must be *bona fide* and valid and there must not be any ground to avoid such choice based on public policy;
 - 4.2.3 all consents, approvals, notices, filings, recordings, registrations and other steps necessary to permit the execution, delivery or performance of each GATS Instrument or to perfect, protect or preserve any of the interests created by a GATS Instrument, must be duly obtained, made or taken;
 - 4.2.4 the legal effect of each GATS Instrument must be as set out in such GATS Instrument;
 - 4.3 the execution, delivery or performance of any GATS Instrument could contravene provisions of the laws of jurisdictions other than Ireland and the opinions expressed in this opinion could be affected by such laws;
 - 4.4 the presence of fraud, undue influence, coercion or duress on the part of any party to a GATS Instrument could invalidate or render such GATS Instrument unenforceable or non-binding;
 - 4.5 in order for a GATS Security Instrument to create valid security interests over the assets which are expressed to be subject to it:
 - 4.5.1 such security must exist or (where any security is a chose in action) have been validly and lawfully constituted in accordance with all applicable laws (other than the laws of Ireland);
 - 4.5.2 such GATS Security Instrument must be valid, binding and enforceable in accordance with the terms of the applicable laws (other than the laws of Ireland); and

- 4.5.3 the security interests purported to be created pursuant to the GATS Security Instrument must be capable of being created under all applicable laws (other than the laws of Ireland) and pursuant to the terms of the documents constituting such security (if any);
- 4.6 an order of specific performance or any other equitable remedy is a discretionary remedy and is not available when damages are considered to be an adequate remedy;
- 4.7 this opinion is given subject to general provisions of Irish law relating to insolvency, bankruptcy, liquidation, reorganisation, receivership, moratoria, court scheme of arrangement, administration and examination, and the fraudulent preference of creditors and other Irish law generally affecting the rights of creditors;
- 4.8 this opinion is subject to the general laws relating to the limitation of actions in Ireland;
- 4.9 a determination, description, calculation, opinion or certificate of any person as to any matter provided for in the GATS Instruments might be held by the Irish courts not to be final, conclusive or binding if it could be shown to have an unreasonable, incorrect, or arbitrary basis or not to have been made in good faith;
- 4.10 additional interest imposed by any clause of any GATS Instrument might be held to constitute a penalty and the provisions of that clause imposing additional interest would thus be held to be void. The fact that such provisions are held to be void would not in itself prejudice the legality and enforceability of any other provisions of such GATS Instrument but could restrict the amount recoverable by way of interest under such GATS Instrument;
- 4.11 claims may be or become subject to defences of set-off or counter-claim;
- 4.12 an Irish court has power to stay an action where it is shown that there is some other forum having competent jurisdiction which is more appropriate for the trial of the action, in which the case can be tried more suitably for the interests of all the parties and the ends of justice, and where staying the action is not inconsistent with Regulation (EU) No 1215/2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (the **Brussels Regulation**);
- 4.13 there is some possibility that depending on the actual course of dealing between the parties to the GATS Security Instrument, any fixed charge contained in the GATS Security Instrument may not be construed as a fixed charge but as a floating charge and so become subject to prior claims of certain statutory preferential creditors;
- 4.14 the enforceability of severance clauses is at the discretion of the court and may not be enforceable in all circumstances;
- 4.15 a waiver of all defences to any proceedings may not be enforceable;
- 4.16 any undertaking contained in any GATS Instrument in respect of stamp duty may not be held to be binding;
- 4.17 an Irish court may refuse to give effect to undertakings contained in any GATS Instrument that a party will pay legal expenses and costs in respect of any action before the Irish courts;
- 4.18 we express no opinion as to the priority of any of the security created by the GATS Security Instrument or whether the property or assets comprised in such security is owned by the Beneficiary or whether such property or assets is or are now or may become subject to any equities or subject to any rights or interests of any other person ranking in priority to or free of such security or whether they could be transferred to any other person free of any such security;
- 4.19 we express no opinion on any taxation matters other than as expressly set out in paragraph 3.3 or on the contractual terms of the relevant documents other than by reference to the legal character thereof;

4.20 we express no opinion on matters relating to the Convention on International Interests in Mobile Equipment signed in Cape Town on 16 November 2001 (**Convention**) and the Protocol to the Convention on Matters Specific to Aircraft Equipment; and

4.21 under Section 1002 of the Taxes Consolidation Act, 1997, any debt of an Irish GATS Party to a person (including any deposit with a financial institution) may be attached by the Revenue Commissioners in order to discharge any liabilities of that person in respect of outstanding tax whether the liabilities are due on its own account or as an agent or trustee. This right of the Revenue Commissioners (on which there is no case law) may override the rights of the holders of security (whether fixed or floating) in relation to the debt in question. Section 1002 could be relevant to the security created pursuant to the GATS Security Instrument.

This opinion is addressed solely to the Aviation Working Group for information purposes only. This opinion may be disclosed to members of the Aviation Working Group on the basis that it may not be relied upon by, nor does it create any legal rights in favour of the Aviation Working Group, any of its members or any other person. We assume no responsibility or liability to any receipt of this opinion (including the Aviation Working Group or any of its members) and we disclaim absolutely all such responsibility and liability.

Yours faithfully

A handwritten signature in black ink that reads "A&L Goodbody". The signature is written in a cursive, flowing style.

A&L Goodbody

SCHEDULE

- 1 Version 1 of the GATS Trust Instrument (Irish Trust Branch) which incorporates therein the terms of version 1 of the GATS Trust Instrument Master Terms (Irish Trust Branch) (the **GATS Trust Instrument**)
- 2 Version 1 of the GATS Transfer Instrument (Full Beneficial Interest) (Irish Trust Branch) (the **GATS Transfer Instrument (Full Beneficial Interest)**)
- 3 Version 1 of the GATS Transfer Instrument (Partial/Residual Beneficial Interest) (Irish Trust Branch) (the **GATS Transfer Instrument (Partial/Residual Beneficial Interest)**) and together with the GATS Transfer Instrument (Full Beneficial Interest), the **GATS Transfer Instruments** and each a **GATS Transfer Instrument**)
- 4 Version 1 of the GATS Security Instrument (Irish Trust Branch) which incorporates therein the terms of the GATS Security Instrument Master Terms (Irish Trust Branch) (the **GATS Security Instrument**)
- 5 Version 1 of the GATS Amendment Instrument (Trust Instrument) (Irish Trust Branch)
- 6 Version 1 of the GATS Amendment Instrument (Security Instrument) (Irish Trust Branch)
- 7 Version 1 of the GATS Security Transfer Instrument (Irish Trust Branch)
- 8 Version 1 of the GATS Release, Discharge and Reassignment (Irish Trust Branch)
- 9 Version 1 of the GATS Termination Instrument (Irish Trust Branch)
- 10 Version 1 of the GATS Transfer Instrument (Successor Trustee Transaction) (Irish Trust Branch) (the **GATS Transfer Instrument**)