

A copy of this document, which comprises a prospectus of DP Aircraft I Limited (the Company) for the issue of New Shares in the Company, prepared in accordance with the Prospectus Rules of the Financial Conduct Authority made pursuant to section 73A of the Financial Services and Markets Act 2000, has been filed with the Financial Conduct Authority in accordance with Rule 3.2 of the Prospectus Rules.

The New Shares are only suitable for investors (i) who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company, (ii) for whom an investment in the New Shares is part of a diversified investment programme and (iii) who fully understand and are willing to assume the risks involved in such an investment programme.

Application has been made to the London Stock Exchange for the New Shares to be issued in connection with the Placing, to be admitted to the Specialist Fund Market of London Stock Exchange plc. The Company and the Directors, whose names appear on page 36 of this Prospectus, accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Company is not authorised or regulated by the Financial Conduct Authority, the Guernsey Financial Services Commission or any other regulatory authority.

The attention of potential investors is drawn to the Risk Factors set out on pages 18 to 31 of this Prospectus.

The latest time and date for applications under the Placing is noon on 9 June 2015. Further details of the Placing are set out in Part III of this Prospectus. Capitalised terms contained in this Prospectus shall have the meanings set out in Part XIV of this Prospectus.

DP AIRCRAFT I LIMITED

(a company incorporated with limited liability under the laws of Guernsey with registered number 56941)

Placing of 96,333,333 New Shares at an Issue Price of 105.89 cents per New Share

Placing Agent
Canaccord Genuity Limited

This document does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, New Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company or Canaccord Genuity. The offer and sale of the New Shares have not been and will not be registered under the applicable securities laws of Australia, New Zealand, South Africa, Canada or Japan. Subject to certain exemptions, the New Shares may not be offered to or sold within Australia, New Zealand, South Africa, Canada or Japan or to any national, resident or citizen of Australia, New Zealand, South Africa, Canada or Japan.

The New Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **U.S. Securities Act**), or with any securities regulatory authority of any state or other jurisdiction of the United States and the New Shares may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. In addition, the Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the **U.S. Investment Company Act**), and investors will not be entitled to the benefits of the U.S. Investment Company Act.

Investors may be required to bear the financial risks of this investment in the New Shares for an indefinite period of time. For a description of restrictions on offers, sales and transfers of New Shares, see "Purchase and Transfer Restrictions" on page 33 of this Prospectus.

Canaccord Genuity (which is authorised and regulated in the United Kingdom by the Financial Conduct Authority) has been appointed to act as Placing Agent for the Company in connection with the Placing and is acting solely for the Company and will not regard any other person (whether or not a recipient of this Prospectus or other information) as its customer in relation thereto and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Canaccord Genuity or for affording advice in relation to the Placing or for any other matter referred to in this document. Any prospective purchaser of New Shares is recommended to seek its own professional advice.

5 June 2015

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SUMMARY

Summaries are made up of disclosure requirements known as “Elements”. These elements are numbered in Sections A-E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted into the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of “not applicable”.

Section A – Introduction and warnings

Element	Disclosure requirement	Disclosure
A.1	Warning	This summary should be read as an introduction to this Prospectus. Any decision to invest in the securities should be based on consideration of this Prospectus as a whole by the investor. Where a claim relating to the information contained in a prospectus is brought before a court, the plaintiff investor might, under the national legislation of the EU member states, have to bear the costs of translating such prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the prospectus or it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	Subsequent resale of securities or final placement of securities through financial intermediaries	Not applicable. The Company is not engaging any financial intermediaries for any resale of securities or final placement of securities requiring a prospectus after publication of this Prospectus.

Section B – Issuer

Element	Disclosure requirement	Disclosure
B.1	Legal and commercial name	The issuer’s legal and commercial name is DP Aircraft I Limited.
B.2	Domicile and legal form	The Company was incorporated with limited liability in Guernsey under The Companies (Guernsey) Law, 2008, as amended, on 5 July 2013 with registered number 56941.
B.5	Group description	<p>The Group has been established to acquire, lease and sell aircraft. The Company makes its acquisitions via a group structure comprising of:</p> <ul style="list-style-type: none"> ● the Existing Borrowers, each being a Guernsey incorporated company limited by shares; ● the Existing Lessor, an Irish incorporated private limited company which has legal title to the Existing Assets as trustee for each of the Existing Borrowers. The Existing Borrowers and the Existing Lessor are party to the Trust Agreements under

Element	Disclosure requirement	Disclosure																																	
		<p>which each of the Existing Borrowers is beneficiary of the relevant Trust and the Existing Lessor is the trustee;</p> <ul style="list-style-type: none">the New Borrowers, each being a Guernsey incorporated company limited by shares; andthe New Lessor, an English incorporated company limited by shares.																																	
B.6	Notifiable interests	<p>As at the close of business on 4 June 2015 (the latest practicable date prior to the publication of this Prospectus), the interests of the Directors and their connected persons in the share capital of the Company were as follows:</p> <table><thead><tr><th>Director</th><th>Number of Shares</th><th>% of issued Share capital</th></tr></thead><tbody><tr><td>Jon Bridel</td><td>7,500</td><td>0.06</td></tr><tr><td>Didier Benaroya</td><td>–</td><td>–</td></tr><tr><td>Jeremy Thompson</td><td>15,000</td><td>0.13</td></tr></tbody></table> <p>Insofar as is known to the Company, as at the close of business on 4 June 2015 (the latest practicable date prior to the publication of this Prospectus), the following registered holdings representing a direct or indirect interest of five per cent. or more of the Company's issued share capital were recorded on the Company's share register:</p> <table><thead><tr><th>Shareholder</th><th>Number of Shares</th><th>% of issued Share capital</th></tr></thead><tbody><tr><td>CCLA Investment Management Ltd</td><td>20,543,862</td><td>18.1804%</td></tr><tr><td>Nestle Capital Management Ltd</td><td>11,000,000</td><td>9.73%</td></tr><tr><td>Prudential Plc Group of Companies</td><td>25,000,000</td><td>22.12%</td></tr><tr><td>AXA Investment Managers SA</td><td>7,680,000</td><td>6.80%</td></tr><tr><td>Baillie Gifford & Co</td><td>10,000,000</td><td>8.85%</td></tr><tr><td>Tesco Pension Trustees Limited</td><td>10,000,000</td><td>8.85%</td></tr></tbody></table> <p>The Company is not aware of any person or persons who, directly or indirectly, jointly or severally, exercise control of the Company.</p>	Director	Number of Shares	% of issued Share capital	Jon Bridel	7,500	0.06	Didier Benaroya	–	–	Jeremy Thompson	15,000	0.13	Shareholder	Number of Shares	% of issued Share capital	CCLA Investment Management Ltd	20,543,862	18.1804%	Nestle Capital Management Ltd	11,000,000	9.73%	Prudential Plc Group of Companies	25,000,000	22.12%	AXA Investment Managers SA	7,680,000	6.80%	Baillie Gifford & Co	10,000,000	8.85%	Tesco Pension Trustees Limited	10,000,000	8.85%
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B.7	Key financial information	<p>The selected financial information of the Group as at 31 December 2014 for the period from 5 July 2013 to 31 December 2014 is set out below and has been extracted without material adjustment from the Group's audited financial information for its first accounting period ended on 31 December 2014:</p> <table><tbody><tr><td>Net assets (US\$m)</td><td>105.74</td></tr><tr><td>Net asset value per share (including swap liabilities) (cents)</td><td>93.575</td></tr><tr><td>Operating profit (US\$m)</td><td>20.04</td></tr><tr><td>Profit and comprehensive income for the period (US\$m)</td><td>5.02</td></tr><tr><td>Earnings per share (cents)</td><td>9.02</td></tr></tbody></table> <p>Other than the IPO Admission, the completion of the acquisition of the Existing Assets shortly thereafter and the payment of four interim dividends, each of 2.25 cents per Share, there has been no significant change to the Group's financial condition and operating results during the period covered by the historical financial information.</p> <p>Other than the payment of two interim dividends of 2.25 cents per share on 13 February 2015 and 18 May 2015 respectively, there has been no significant change to the Group's financial condition and operating results subsequent to the period covered by the historical financial information.</p>	Net assets (US\$m)	105.74	Net asset value per share (including swap liabilities) (cents)	93.575	Operating profit (US\$m)	20.04	Profit and comprehensive income for the period (US\$m)	5.02	Earnings per share (cents)	9.02																							
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B.8	Key pro forma financial information	<p>The unaudited Pro Forma Financial Information set out below is based on the audited consolidated financial statements of the Company for the period from 5 July 2013 to 31 December 2014 and has been prepared on the basis of the notes set out below to illustrate the effect of the Placing of New Shares, the acquisition of the Third and Fourth Assets (with Third and Fourth leases attached) and the monies received from entering into the New Loan Agreements on the Statement of Financial Position of the Group as if they had each occurred on 31 December 2014. The fees and expenses of the Placing will reduce the earnings or increase the losses of the Company.</p> <p>The unaudited Pro Forma Financial Information has been prepared pursuant to Annex II of the Prospectus Directive Regulation and it is shown for illustrative purposes only to indicate how the Placing of New Shares, the acquisition of the Third and Fourth Assets (with the Third and Fourth Thai Leases attached) and the monies received from entering into the New Loan Agreements might have affected the financial position of the Group as at 31 December 2014 if they had occurred on that date. Due to its nature, the unaudited Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent the Group’s actual financial position following the Placing of New Shares, the acquisition of the Third and Fourth Assets (with Third and Fourth Leases attached) and the monies received from entering into the New Loan Agreements.</p>																																																																																																																																																																																
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		<p>Notes:</p> <p>(1) The financial information on the Group has been extracted, without material adjustment, from the audited consolidated financial statements of the Company for the period from 5 July 2013 to 31 December 2014, which is incorporated by reference into this Prospectus.</p> <p>(2) This adjustment reflects the proceeds of the Placing of New Shares of US\$102 million, net of share issue costs of US\$1.530 million payable to the Placing Agent. In addition, costs associated with the Placing of New Shares, entering into the New Loan Agreements and Acquisition of Third and Fourth Assets (with Third and Fourth Leases attached), which are not directly attributable to the above are expensed to retained earnings immediately.</p> <p>(3) This adjustment reflects the monies drawn down under the New Loan Agreements of US\$157 million, net of deferred loan costs of US\$1.888 million which are capitalised and will be amortised to the consolidated statement of comprehensive income over the term of the New Loan Agreements. The amounts payable under the New Loan Agreements, less deferred loan costs, are classified within Loans and Borrowings as either Current liabilities or Non-current liabilities based on the repayment profile of the New Loan Agreements.</p> <p>(4) This adjustment reflects the recognition, upon delivery, of the cost of the Third and Fourth Assets acquired plus initial direct costs which may be capitalised under IAS 16 and lease premium, being the fair market value of the leases attached to the aircraft.</p> <p>The cash outflows associated with the acquisition of the Third and Fourth Assets (with the Third and Fourth Thai Leases attached) reflect (i) the payment of the purchase price of the New Assets to the Thai Seller after deducting amounts relating to the security deposits received by the Thai Seller from Thai Airways (ii) the establishment of restricted cash accounts to the amount of the Thai Airways security deposits (which will be used as security for the New Loans) and recognition of these security deposits as Non-current liabilities refundable to Thai Airways upon expiration of the Third and Fourth Thai Leases, and (iii) payment of the initial direct costs associated with acquiring the Third and Fourth Assets (with the Third and Fourth Thai Leases attached).</p>
B.9	Profit forecast	Not applicable. There are no profit forecasts included in this Prospectus.
B.10	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable. The audit report on the historical financial information contained in this Prospectus is not qualified.
B.11	Working capital insufficiency	<p>In the Company's opinion, the Group does not have sufficient working capital available to it for its present requirements (that is for at least the next 12 months from the date of this Prospectus).</p> <p>However, the shortfall in working capital relates exclusively to working capital required in order to acquire the New Assets. Such financing is subject to the completion of the Placing and the Group agreeing the terms of, and entering into, the New Loan Agreements. The New Loan Agreements have been substantially agreed with the New Lenders in relation to the New Loans. The Company is therefore confident that the Group will be able to execute agreements on favourable terms with the New Lenders in relation to the New Loans.</p> <p>Relative timing</p> <p>As further described in Part III of this Prospectus, the Placing is not being underwritten and the Placing will not proceed if the Placing Proceeds are less than the Placing Amount.</p> <p>The Third Borrower's entry into the Third Sale Agreement, the Fourth Borrower's entry into the Fourth Sale Agreement and the New Lessor's entry into the New Lease Novations in relation to each of the New Assets is conditional on financing being available to the Company under the relevant New Loan Agreements. The Group's liability to fund the relevant Sale Price in relation to each of the New Assets and proceed with the acquisition of each of the New Assets will not arise until the relevant New Sale Agreement has been executed in relation to the relevant New Asset, and the Third Borrower and/or the Fourth Borrower will not do so until the relevant New Loan Agreement has been agreed with the New Lenders. Similarly, the New Lessor's obligation to have novated to it the Lease of each New Asset to Thai Airways will be conditional on the New Lenders having made financing available to the Company under the relevant New Loan.</p>

Element	Disclosure requirement	Disclosure
		<p>Admission is conditional upon the Principal Documents having been entered into.</p> <p>Shortfall</p> <p>Pending completion of the Placing and the Principal Documents being executed and becoming unconditional, the shortfall in working capital equates to the Sale Price for each New Asset.</p> <p>In the Directors' opinion, there is no shortfall in respect of the working capital required for the Group's existing operations other than the acquisition of the New Assets, as set out above and accordingly there is no requirement for additional funding for such existing operations.</p> <p>Upon completion of the Placing and the entry into of the Principal Documents which will be prior to Admission and the Principal Documents becoming unconditional (which is expected after Admission) the Group will have the working capital required to acquire each New Asset.</p> <p>Implications</p> <p>If the Company were unable to agree the terms of the New Loan Agreements with the New Lenders or conditions to drawdown under the New Loan Agreements are not met and the New Loans were therefore unavailable to the Company, then the Company would need to arrange alternative debt finance to fund the acquisition of the New Assets. If such funding were ultimately not available then the Company would be unable to purchase the New Assets. In such circumstances, Admission would not take place and no placing monies would be taken.</p>
B.34	Investment policy	<p>Investment objective</p> <p>The Company's investment objective is to obtain income returns and a capital return for its Shareholders by acquiring, leasing and then, when the Board considers it is appropriate, selling aircraft.</p> <p>Investment policy</p> <p>To pursue its investment objective, the Company intends to use the net proceeds of placings and other equity capital raisings, together with debt facilities, to acquire aircraft which will be leased to one or more international airlines.</p> <p>Any material change to the investment policy of the Company will be made only with the approval of Shareholders by way of an ordinary resolution.</p> <p>Investment process</p> <p>The Company intends to use the Placing Proceeds and the proceeds of two separate New Loans, each of up to US\$78,500,000, to fund the purchase of two Boeing 787-8 aircraft (being the New Assets). The Principal Documents will be executed prior to Admission and completion of the acquisition of the New Assets and the New Lease Novations is expected to occur in or around the week commencing 15 June 2015.</p> <p>The Company will buy the New Assets with the benefit of the pre-negotiated leases for the New Assets with Thai Airways which in respect of the Third Asset expires on 28 October 2026 and in respect of the Fourth Asset expires on 8 December 2026. The Company will</p>

Element	Disclosure requirement	Disclosure
		have the ability to acquire additional aircraft if in the view of the Board the acquisition of such additional aircraft would not have a material adverse effect on the Company's target income distributions. As with the acquisition of the Existing Assets and the New Assets, the acquisition of additional aircraft would be financed by way of a placing and a loan. Any subsequent placings or other equity capital raisings to finance the acquisition of further aircraft will be made only with the approval of Shareholders by way of an ordinary resolution. An ordinary resolution to approve the Placing for the purpose of raising monies required to fund the Acquisition was passed on 18 May 2015.
B.35	Borrowing limits	In addition to the Existing Loans and the New Loans (the Loans), the Company may, from time to time use borrowings. To this end the Company may arrange an overdraft facility for efficient cash management. The Directors intend to restrict borrowings other than the Loans to an amount not exceeding 15 per cent. of the NAV of the Company at the time of drawdown. Borrowing facilities will only be drawn down with the approval of the Directors on a case by case basis. Directors may also draw down on the overdraft facility for extraordinary expenses determined by them, on the advice of DS Aviation, to be necessary to safeguard the overall investment objective. As at the date of this Prospectus, the Company does not have an overdraft facility and with the exception of the Loans, the Directors have no intention to use borrowings for structural investment purposes.
B.36	Regulatory status	The Company is not authorised or regulated by the FCA or the GFSC. The Company is subject to the Disclosure and Transparency Rules of the FCA.
B.37	Typical investor	Typical investors in the Company are expected to be institutional and sophisticated investors, investment professionals, high net worth bodies corporate, unincorporated associations, partnerships and trustees of high value trusts and private clients (all of whom will invest through brokers).
B.38	Investment of 20 per cent. or more in single underlying asset or investment company	No more than 20 per cent. of the gross assets of the Company will be (a) invested in any single underlying issuer; (b) invested in one or more collective investment undertakings; or (c) exposed to the creditworthiness or solvency of any one counter-party. In the event of a default by a Lessee, the Company would retain ownership of the relevant Asset(s).
B.39	Investment of 40 per cent. or more in another collective investment undertaking	Not applicable – the Company will not invest in collective investment undertakings.
B.40	Applicant's service providers	Asset Manager The Asset Manager, DS Aviation, has been appointed to provide asset management services to the Company under the terms of an Asset Management Agreement. The services provided by the Asset Manager include maintaining an overview of the Assets. The Asset Manager will not undertake any regulated activities for the purpose of the UK Financial Services and Markets Act 2000.

Element	Disclosure requirement	Disclosure
		<p>Pursuant to the Asset Management Agreement, DS Aviation will: (a) maintain ongoing communication with the Lessees, the financing parties, the airframe and engine manufacturers and provide the Company with reports in relation thereto, (b) undertake regular inspections of the Assets, (c) monitor the Lessees' performance of all their respective obligations specified in the relevant Lease (including obligations as regards the insurance of the Assets) and provide information and advice in the event of default, (d) support the Company in any sale or re-leasing activity in respect of the Assets and (e) provide input into the Company's reports, announcements and Shareholder communications.</p> <p>DS Aviation will dedicate such time and attention to the performance of its duties as shall properly be required to discharge them.</p> <p>The Asset Management Agreement shall continue and remain in force until 31 October 2027. It will end automatically without the need for any notice of termination upon completion of the dissolution of the Company, subject to earlier termination (a) by either party on immediate notice in certain circumstances, including unremedied material breach of contract by or insolvency of the other party; (b) by the Company in relation to an Asset on one month's prior written notice if a sale of that Asset has been completed or a Total Loss has occurred in relation to that Asset; and (c) by the Company if DS Aviation is unable to comply with certain 'key person' provisions.</p> <p>The Asset Management Agreement contains a 'key person' provision with the aim of ensuring the Company retains the benefit of the expertise of Christian Mailly or a suitable replacement for the duration of the agreement.</p> <p>Management Fee</p> <p>The Company will pay DS Aviation a management fee of US\$250,000 per annum per Existing Asset and US\$200,000 per annum per New Asset (inflating annually at 2.5 per cent. per annum), payable monthly in arrears commencing from the acquisition of each relevant Asset.</p> <p>Arrangement Fee</p> <p>The Asset Manager is also entitled to receive its share of the Arrangement Fee being 0.8 per cent. of Gross Proceeds and the monies to be drawn down by the Company under the New Loans.</p> <p>Disposal Fee</p> <p>The Asset Management Agreement currently provides for a Disposal Fee to be payable by the Company to DS Aviation upon the sale of each Asset, such fee being calculated as a percentage of the price at which the relevant Asset is sold. That percentage varies depending upon the level of the total return per Share attributable to the relevant Asset (expressed as a percentage of the IPO Issue Price), being nil if the total return per Share attributable to the Asset is less than 200 per cent.; 1.5 per cent. if the total return per Share equals or exceeds 200 per cent. but is less than 250 per cent.; 2.0 per cent. if the total return per Share equals or exceeds 250 per cent. but is less than 300 per cent.; or 3.0 per cent. if the total return per Share equals or exceeds 300 per cent.</p> <p>The Asset Management Agreement has been amended to provide a new calculation methodology for the Disposal Fee with effect from the acquisition of the New Assets. Under the new methodology, a</p>

Element	Disclosure requirement	Disclosure
		<p>Disposal Fee will only become payable at the point at which all four of the Assets have been sold after expiry of the Fourth Thai Lease in December 2026. The fee will be calculated as a percentage of the aggregate net sale proceeds of the four Assets, such percentage rate depending upon the Initial Investor Total Asset Return per Share. If each of the Existing Assets and New Assets are sold subsequent to the expiry of their respective leases, the percentage rate shall be nil if the Initial Investor Total Asset Return per Share is less than 205 per cent.; 1.5 per cent. if the Initial Investor Total Asset Return per Share equals or exceeds 205 per cent. but is less than 255 per cent.; 2.0 per cent. if the Initial Investor Total Asset Return per Share equals or exceeds 255 per cent. but is less than 305 per cent.; or 3.0 per cent. if the Initial Investor Total Asset Return per Share equals or exceeds 305 per cent.</p> <p>In the event that any Asset is sold prior to the expiry of its Lease, the percentage hurdles set out above will be adjusted on the following basis:</p> <ul style="list-style-type: none"> (i) an amount will be deducted, in respect of each Asset sold prior to the expiry of its Lease, equal to the net present value of the aggregate amount of dividends per Share that were targeted to be paid but were not paid as a result of the early divestment of the relevant Asset; and (ii) a further amount will be deducted, in respect of each Asset sold prior to the expiry of its Lease, equal to the amount by which the proportion of the non-dividend component of the relevant percentage hurdle attributable to the relevant Asset would need to be reduced in order to meet its net present value, <p>in each case the net present value being calculated at the point of sale of the relevant Asset and by reference to a discount rate representing 2.0 per cent. over the prevailing rate of the most relevant US Treasury (or such other discount rate as the parties may agree to as being the most appropriate at the time).</p> <p>In the event of any dispute between the Company and the Asset Manager as to the calculation of the Disposal Fee, such dispute may be referred by either party in writing to the Company's auditors for their determination; and such determination will be final and binding on both the Company and the Asset Manager.</p> <p>Secretarial and administration arrangements</p> <p>Dexion provides administrative and company secretarial services to the Company under the terms of an administration agreement. In such capacity, the Administrator is responsible for general secretarial functions required by the Companies Laws and for ensuring that the Company complies with its continuing obligations as a company whose Shares are admitted to trading on the SFM. The Administrator has responsibility for the safekeeping of any cash and any title documents relating to the Group's assets, to the extent that these are not retained by any lending bank as security. The Administrator is also responsible for general administrative functions of the Company, as set out in the Administration Agreement.</p> <p>The Administrator is entitled to a secretarial fee of £25,000 per annum on the basis that: (a) there are quarterly Board meetings which are held in Guernsey; (b) the committee meetings which are described in this Prospectus take place; and (c) there is an annual general meeting</p>

Element	Disclosure requirement	Disclosure
		<p>each year. The Administrator will also receive an additional £1,640 for each <i>ad hoc</i> Board meeting held and a further £1,640 for each board meeting of each wholly-owned subsidiary that the Company incorporates (other than the Lessors); and a financial reporting fee for the Company on a group consolidated basis in respect of the preparation and approval of audited annual reports, half year reports and quarterly board updates, in the amount of £16,000 per annum. In addition to the above remuneration the Administrator shall also be entitled to the administration fee in the minimum amount of £1,250 per month and such other remuneration as shall be agreed between the Administrator and the Board from time to time, (including activity fees as previously agreed with the Company or time cost charges which shall be levied by the Administrator for any other matter not already included under the Administration Agreement).</p> <p>Other arrangements</p> <p>The Company's registrar is Capita Registrars (Guernsey) Limited (the Registrar) which has been appointed pursuant to the Registrar Agreement.</p> <p>The Registrar is entitled to receive various fees for services provided, including an annual basic registration fee equal to £1.35 per Shareholder appearing on the register during that year, with a minimum charge per annum of £6,000, as well as reasonable out-of-pocket expenses.</p> <p>The Company utilises the services of the Registrar in relation to the transfer and settlement of Shares held in uncertificated form.</p> <p>Given that the fees payable under the Registrar Agreement are calculated as a multiple of the number of Shareholders admitted to the register each year plus a multiple of the number of Share transfers made each year, there is no maximum amount payable under the Registrar Agreement.</p> <p>KPMG provides audit services to the Company. The annual report and accounts are prepared according to accounting standards in line with IFRS.</p> <p>The fees charged by the Auditors depend on the services provided, computed, <i>inter alia</i>, on the time spent by the Auditors on the affairs of the Company and there is no maximum amount payable under the Auditor's engagement letter.</p>
B.41	Regulatory status of investment manager	<p>Not applicable. The Company has no external investment manager. The Directors are responsible for making decisions relating to the Company and the Assets.</p> <p>The Asset Manager is a German limited partnership (<i>Kommanditgesellschaft</i>) having its office at Stockholmer Allee 53, 44269 Dortmund, Germany, registered with the commercial register of the local court (Amtsgericht) of Dortmund under number HRA16790 acting through its general partner, DS Aviation Management GmbH. The Asset Manager is not a regulated investment manager.</p>
B.42	Calculation of Net Asset Value	<p>The Company calculates an audited NAV annually, as at the end of each financial year, given the nature of the Assets and an unaudited NAV as at each half-year end.</p> <p>The NAV is calculated by the Administrator on behalf of the Company (following consultation with the Directors and DS Aviation).</p>

Element	Disclosure requirement	Disclosure
		<p>The Company depreciates the Assets on a straight line basis over the estimated useful life of the Assets and taking into consideration the estimated residual value. In making a judgement regarding these estimates the Directors consider previous sales of similar aircraft and other available aviation information. The useful life of an Asset is estimated based on the expected period for which the Company will own and lease the aircraft.</p> <p>The audited NAV is published in the Company's annual report and accounts, with the interim reports including an unaudited NAV as at 30 June of the relevant year.</p> <p>The Company may also, at its discretion, arrange for additional valuations to be carried out from time to time if market conditions warrant. The NAV of the Company is determined in accordance with IFRS.</p> <p>The Company will engage three Independent Expert Valuers each year to provide a valuation of the Assets and will take into account the average of the three valuations provided. The Company expects that, in performing their valuation, the Independent Expert Valuers will have regard to factors such as the condition of the Assets, the prevailing market conditions (which may impact on the resale value of the Assets), the Leases (including the scheduled rental payments and remaining scheduled term of the Leases) and the creditworthiness of the relevant Lessee. Accordingly, any early termination of the Leases may impact on the valuation of the Assets.</p> <p>The above list of factors to be taken into account in the valuation is illustrative only and is not intended to be exhaustive or binding on the Company or any Independent Expert Valuers.</p>
B.43	Cross liability	Not applicable. The Company is not an umbrella collective investment undertaking.
B.44	Key financial information	The Company has commenced operations and historical financial information is included in this Prospectus.
B.45	Portfolio	<p>The Assets</p> <p>The New Assets comprise two Boeing 787-8 aircraft, which are to be purchased by the Group (following Admission and conditional upon the raising of the necessary debt finance) pursuant to the New Sale Agreements.</p> <p>Admission will be conditional on the Company having executed the Principal Documents. Following execution of the Principal Documents and Admission taking place, the New Assets are expected to be acquired in or around the week commencing 15 June 2015.</p> <p>The Existing Assets comprise of two Boeing 787-8 aircraft which were purchased by the Group following its IPO. Each of the Existing Assets has been leased to Norwegian with fixed lease rentals and the First Lease expires in June 2025 and the Second Lease expires in August 2025.</p> <p>The Leases</p> <p>Simultaneously with the purchase of the New Assets, the New Lease Novations will become effective, one relating to each New Asset, pursuant to which the Company (through its subsidiaries) will lease each New Asset to Thai Airways.</p>

Element	Disclosure requirement	Disclosure
		The Company (through its subsidiaries), the NAS Sellers and Norwegian have entered into the Existing Lease Novations, one relating to each Existing Asset, pursuant to which the Company (through its subsidiaries) has leased each Existing Asset to Norwegian.
B.46	Net Asset Value	The Net Asset Value (including swap liabilities) per Share as at 31 December 2014 was 93.575 cents.

Section C – Securities

Element	Disclosure requirement	Disclosure
C.1	Type and class of security	The Company intends to issue the New Shares of no par value each in the capital of the Company. The ISIN of the New Shares is GG00BBP6HP33 and the SEDOL is BBP6HP3. The New Shares will be issued under Guernsey law.
C.2	Currency	
C.3	Number of securities to be issued	The currency of denomination of the Placing is US Dollars.
C.4	Description of the rights attaching to the securities	<p>The Company intends to issue 96,333,333 New Shares at an Issue Price of 105.89 cents per New Share.</p> <p>The New Shares carry the right to receive all dividends declared by the Company (other than in relation to assets attributable to any class of C Share).</p> <p>Subject to the Articles, in the event of a winding-up of the Company (where no C Shares are outstanding), the surplus assets of the Company available for distribution to holders after payment of all other debts and liabilities of the Company shall be applied in the following manner and order of priority:</p> <ul style="list-style-type: none"> (i) first, in paying to each holder of Shares in respect of each Share of which it is the holder a sum equal to the amount paid up or credited as paid up thereon; (ii) second, in paying to each holder of Subordinated Administrative Shares in respect of each Subordinated Administrative Share of which it is the holder a sum equal to the amounts paid up or credited as paid up thereon; and (iii) third, the balance of such assets (if any) shall be distributed amongst the holders of Shares (in proportion to the number of Shares held by them). <p>Shareholders will be entitled to attend and vote at all general meetings of the Company and, on a poll, to one vote for each Share held.</p>
C.5	Restrictions on the free transferability of the securities	<p>The Directors may, without assigning any reasons therefor, refuse to register the transfer of a certificated Share (whether fully paid or not) unless the instrument of transfer is lodged at the registered office of the Company or at such other place as the Directors may appoint and is accompanied by any certificates for the Shares to which it relates and such other evidence as the Directors may require to show the right of the transferor to make the transfer.</p> <p>The Directors may only decline to register a transfer of an uncertificated Share in the circumstances set out in the regulations applicable to Euroclear and/or the CREST relevant system from time to time in force or such as may otherwise from time to time be</p>

		<p>adopted by the Directors on behalf of the Company or the rules of any relevant system, or where, in the case of a transfer to joint holders, the number of joint holders to whom the uncertificated Share is to be transferred exceeds four.</p> <p>In addition, the Board may decline to transfer, convert or register a transfer of any Share in certificated form or (to the extent permitted by the CREST Guernsey Requirements) uncertificated form: (a) if it is in respect of more than one class of Shares; (b) if it is in favour of more than four joint transferees; (c) if applicable, if it is delivered for registration to the registered office of the Company or such other place as the Board may decide, not accompanied by the certificate for the Shares to which it relates and such other evidence of title as the Board may reasonably require; or (d) the transfer is in favour of any Non-Qualified Holder.</p> <p>For these purposes a “Non-Qualified Holder” means any person whose ownership of Shares may: (a) cause the Company’s assets to be deemed “plan assets” for the purposes of ERISA or the U.S. Tax Code; (b) cause the Company to be required to register as an “investment company” under the U.S. Investment Company Act (including because the holder of the Shares is not a “qualified purchaser” as defined in the U.S. Investment Company Act); (c) cause the Company to register under the U.S. Exchange Act or any similar legislation; (d) cause the Company not being considered a “Foreign Private Issuer” as such term is defined in rule 3b-4 (c) under the U.S. Exchange Act; (e) result in a person holding Shares in violation of the transfer restrictions put forth in any prospectus published by the Company, from time to time; or (f) cause the Company to be a “controlled foreign corporation” for the purposes of the U.S. Tax Code, or may cause the Company to suffer any pecuniary disadvantage (including any excise tax, penalties or liabilities under ERISA or the U.S. Tax Code).</p>
C.6	Admission	<p>Application has been made for the New Shares to be admitted to trading on the SFM. It is expected that Admission will become effective, and that dealings in the New Shares will commence, at 8.00 a.m. on 12 June 2015.</p>
C.7	Dividend policy	<p>The Company aims to provide Shareholders with an attractive total return comprising income, from distributions through the period of the Company’s ownership of the Assets, and capital, upon any sale of the Assets.</p> <p>It is anticipated that income distributions will be made quarterly, subject to compliance with Applicable Law and regulations, in February, May, August and November of each year. The Company currently targets a distribution to investors of 2.25 cents per Share per quarter (amounting to a yearly distribution of 9.0 per cent.)</p> <p>The Company intends to raise the US\$102.0 million of equity monies required to finance the acquisition of the New Assets through the issue of New Shares at an issue price of 105.89 cents per share, which will result in the issue of 96,333,333 New Shares. Taking this number of New Shares into account, and on the basis of the income which the Company will receive under the Thai Leases, the principal and interest payment obligations expected to be payable under the New Loan Agreements, and the projected additional running costs of the Company as a result of the Acquisition, it is expected that the Company will continue to be in a position to pay a quarterly distribution of 2.25 cents per Share.</p>

Element	Disclosure requirement	Disclosure
		<p>This would mean that:</p> <ul style="list-style-type: none"> ● an Existing Shareholder who acquired Shares pursuant to the IPO and who chooses not to participate in the Placing will maintain a target dividend yield of 9.0 per cent. (being 9.0 cents per annum on the IPO Issue Price of US\$1.00); ● an investor who invests in the Company through the Placing will receive New Shares with a target dividend yield of 8.5 per cent. (being 9.0 cents per annum on the Issue Price of 105.89 cents per New Share); and ● an Existing Shareholder who acquired Shares pursuant to the IPO or following the IPO and who acquires New Shares pursuant to the Placing will hold Shares with a blended dividend yield, with the precise figure depending on the number of Shares held and the price at which such Shares were acquired. <p>The Company currently targets a net IRR in excess of 11 per cent. on the original issue price of its Shares in October 2013 over the life of the NAS Leases. This target takes into account the economic full-life condition of the Existing Assets upon the expiry of the NAS Leases. This target will be maintained on the original issue price (until expiry of the Thai Leases) in the event that the New Assets are acquired.</p> <p>The target dividends and net IRR outlined above are targets only and should not be treated as an assurance or guarantee of performance or a profit forecast. They are based on the performance projections of the investment strategy and market conditions at the time of modelling and are therefore subject to change. There is no guarantee that any target dividends or net IRR can or will be achieved. Investors should not place any reliance on such target dividends or net IRR in deciding whether to invest in shares or assume that the Company will make any distributions at all.</p>

Section D – Risks

Element	Disclosure requirement	Disclosure
D.2	Key information on the key risks specific to the issuer	<ul style="list-style-type: none"> ● As at the date of this Prospectus the Company has not entered into the agreements relating to the New Loans or the purchase or lease of the New Assets; Admission will not take place unless the Principal Documents are executed. If Admission takes place but either or both of the New Assets is not acquired by 31 July 2015, the Directors will consider alternatives for the Company, including ways to return any unused capital to the Shareholders. ● Failure to comply with the terms of the Loan Agreements, including failure to pay interest and repay principal when due, could result in the Lenders enforcing their security and in the case of the Existing Lenders over either or both of the Existing Assets (as the Existing Loans are cross-collateralised) or in the case of the New Lenders over either or both of the New Assets (as the New Loans will be cross-collateralised) and selling the relevant Asset or Assets on the market. ● Any failure by the Lessees to pay any amounts when due would have an adverse effect on the Group's ability to comply with its obligations under the Loan Agreements, could ultimately have an

Element	Disclosure requirement	Disclosure
		<p>impact on the Company's ability to pay dividends and could result in the Lenders enforcing their security and selling the relevant Asset or Assets on the market.</p> <ul style="list-style-type: none"> ● Thai Airways' current or future business model may not be successful; failure of any material part of the business of Thai Airways, may adversely affect the ability of Thai Airways to comply with its obligations under the Thai Leases. ● Norwegian's current or future business model, including their low-cost long haul operations, which are still in the start-up phase, may not be successful; failure of this business model, or any other material part of the business of Norwegian, may adversely affect the ability of Norwegian to comply with its obligations under the Existing Leases. ● The ability of the Company to achieve its investment objective is significantly dependent upon the expertise of certain key personnel at DS Aviation; there is no guarantee that such personnel will be available to provide services to the Company for the scheduled term of the Leases or following the termination of one or more Leases. ● There is no guarantee that, upon expiry of the Leases, the Assets could be sold for an amount that will enable Shareholders to realise a capital profit on their investment or to avoid a loss. ● The Boeing 787-8 is a newly developed generation of aircraft; there is currently insufficient experience and data to be able to give a complete assessment of the long-term use and operation of the aircraft; the Company is exposed to the used aircraft market of the Boeing 787-8, which is untested. ● The airline industry is particularly sensitive to changes in economic conditions and is highly competitive; risks affecting the airline industry generally could affect the ability of Thai Airways and/or Norwegian (or any other lessee) to comply with their respective obligations under the Leases (or any subsequent lease).
D.3	Key information on the key risks specific to the securities	<ul style="list-style-type: none"> ● There can be no guarantee that a liquid market in the Shares will exist. Accordingly, Shareholders may be unable to realise their Shares at the quoted market price, or at all. ● An investment in shares traded on the SFM may carry a higher risk than an investment in shares listed on the premium segment of the main market for listed securities of the London Stock Exchange. ● The Shares may trade at a discount to Net Asset Value and Shareholders may be unable to realise their investments through the secondary market at Net Asset Value. ● The Company has no formal discount control mechanism nor a share buy-back programme. ● Target returns and target net IRR specified in this Prospectus are targets only and should not be treated as assurances or guarantees of performance or profit forecasts. There can be no assurance that these targets can or will be met and they should not be seen as an indication of the Company's expected or actual results or returns. Accordingly investors should not place any reliance on these targets in deciding whether to invest in New Shares or assume that the Company will make any distributions at all.

Section E – Risks

Element	Disclosure requirement	Disclosure
E.1	Net proceeds and costs of the issue	The Company will issue 96,333,333 New Shares pursuant to the Placing. On the basis that 96,333,333 New Shares are issued pursuant to the Placing, it is expected that the net proceeds of the Placing would be approximately US\$99.5 million and the net assets of the Company would be increased by approximately US\$99.5 million. The fees and expenses of the Placing will reduce the earnings or increase the losses of the Company.
E.2a	Reason for offer and use of proceeds	The Placing is being made in order to raise funds for the purpose of achieving the investment objective of the Company. The Board intends that the Placing Proceeds will be used by the Company to acquire the New Assets.
E.3	Terms and conditions of the offer	<p>The Placing</p> <p>The Placing comprises 96,333,333 New Shares to be issued at a price of 105.89 cents each pursuant to the Placing.</p> <p>Conditions</p> <p>The Placing is conditional upon, <i>inter alia</i>:</p> <ul style="list-style-type: none"> (a) the Principal Documents being executed; (b) Admission occurring; and (c) the Placing Agreement having become unconditional in all respects and not having been terminated in accordance with its terms before Admission. <p>If any of these conditions are not met, the Placing will not proceed. The Company will not proceed with the Placing if the Placing Proceeds are less than the Placing Amount. If the Placing does not proceed, subscription monies received will be returned without interest at the risk of the applicant. An ordinary resolution to approve the Placing for the purpose of raising monies required to fund the Acquisition was passed on 18 May 2015.</p> <p>The Company, the Asset Manager, JS Holding (the Asset Manager's parent company) and Canaccord Genuity have entered into the Placing Agreement, pursuant to which Canaccord Genuity has agreed, subject to certain conditions, to use its reasonable endeavours to procure subscribers for the New Shares made available in the Placing.</p> <p>Allocations of the New Shares will be determined at the discretion of Canaccord Genuity (following consultation with the Company and the Asset Manager).</p>
E.4	Material interests	Not applicable. No interest is material to the Placing.
E.5	Name of person selling Securities/ lock up agreements	No person or entity is offering to sell the New Shares other than the Company.
E.6	Dilution	The Net Asset Value of the Existing Shares will be marginally enhanced as a result of the Issue. However the percentage holdings of the Existing Shareholders will be diluted. If 96,333,333 New Shares are issued pursuant to the Placing, Shareholders who do not participate in the Placing will suffer a dilution of approximately 46.02 per cent. to their existing percentage holdings.
E.7	Expenses charged to the Investor	Not applicable. There are no expenses charged directly to investors by the Company.

RISK FACTORS

Prospective investors should note that the risks relating to the Company, its industry and the New Shares summarised in the section of this Prospectus headed “Summary” are the risks that the Board believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the New Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Prospectus headed “Summary” but also, among other things, the risks and uncertainties described below.

The risks referred to below are the risks which are considered to be material but are not the only risks relating to the Company and the New Shares. There may be additional risks that the Company and the Board do not currently consider to be material or of which the Company and the Board are not currently aware. Potential investors should review this Prospectus carefully and in its entirety and consult with their professional advisers before acquiring any New Shares.

If any of the risks referred to in this Prospectus were to occur, the financial position and prospects of the Group could be materially and adversely affected. If that were to occur, the trading price of the Shares and/or their Net Asset Value and/or the level of dividends or distributions received from the Shares could decline significantly or such dividends or distributions (if any) might be suspended and investors could lose all or part of their investment.

Risks relating to the Company

Investment Objective

The Company may not achieve its investment objective. Meeting that objective is a target but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met.

Past performance

The past performance of the Company and of investments which are referred to in this Prospectus are for information or illustrative purposes only and should not be interpreted as an indication, or as a guarantee of future performance.

The past performance of investments managed and monitored by the Asset Manager (and any entities to which the Asset Manager subcontracts such responsibilities) is not a reliable indication of the future performance of the New Assets.

Compensation Risk

The subscription for New Shares and the performance of the New Shares will not be covered by the Financial Services Compensation Scheme or by any other compensation scheme.

Investment in the Company is only suitable for sophisticated investors

Investments in aircraft and aircraft leases are only suitable for sophisticated investors who fully understand and are willing to assume the risks involved in such investments and who are capable of evaluating the merits and risks of such an investment, or other investors who have been professionally advised with regard to investment, and who have sufficient resources to be able to bear any losses which may arise therefrom (which may be equal to the whole amount invested). Potential investors should have regard to this when considering an investment in the Company.

The Directors consider that an investment in the Company should be regarded as long term in nature and is suitable only for sophisticated investors, investment professionals, high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts and private clients (all of whom will invest through brokers), in each case, who can bear the economic risk of a substantial or entire loss of their investment and who can accept that there may be limited liquidity in the Shares.

Target returns

The target dividends and net IRR set out in this Prospectus are targets only and are not hard commitments or profit forecasts and are based on financial projections which are themselves based on assumptions regarding market conditions and the economic environment, the most material of which are set out in Part X of this Prospectus. Although the Board and the Asset Manager consider these assumptions to be reasonable there is no assurance that any or all of them will be justified. There is no guarantee that the target dividends and/or net IRR of the Company can be achieved at the level set out in this Prospectus or that its Net Asset Value will not decrease. A variety of factors, including changes in financial market conditions, interest rates, exchange rates, government regulations, the worldwide economic environment, the air transport industry or the occurrence of risks described elsewhere in this Prospectus could adversely impact the Company's ability to achieve its targets and its performance. Investors should not place any reliance on such target returns in deciding whether to invest in the Company. A failure by the Company to achieve its target returns or increase its Net Asset Value could adversely impact the value of the Shares and result in a loss of all or part of an investor's investment. In addition any change in the accounting policies, practices or guidelines relevant to the Group and its investments may reduce or delay the distributions received by investors.

To the extent that there are impairments to the value of the Assets that are recognised in the Company's statement of comprehensive income, this may affect the profitability of the Company (or lead to losses) and affect the ability of the Company to pay dividends.

Such risks may materially and adversely affect the performance of the Group and returns to investors.

Conflicts of interest

DS Aviation has undertaken that it will dedicate such time and attention to the performance of its duties under the Asset Management Agreement as shall properly be required to discharge them.

DS Aviation currently manages assets on behalf of other investment vehicles that have similar investment objectives and policies to the Company and may manage assets on behalf of other similar investment vehicles in the future. In certain circumstances, this may give rise to potential conflicts of interests e.g. if the sale of a relevant Asset is being considered at a time when the other vehicles for which DS Aviation manages assets also have aircraft assets for sale, conflicts of interest may arise for DS Aviation in finding the best potential buyer for its advisees (including the Company).

Although potential conflicts of interest may arise such that DS Aviation has to consider decisions in its various roles that may impact on the Company, DS Aviation has undertaken to work with the Board to resolve such conflicts in a fair and equitable manner. In any event, the approval of the Board or a committee of the Board will be required for any decisions relating to the Company and the Assets since the Asset Manager has no power to make such decisions without the Board's approval.

The Directors are or may become directors of and/or investors in other companies, including investment companies.

Service providers and their affiliates may be involved in other financial, investment or professional activities that may on occasion give rise to conflicts of interest with the Company. Each service provider will have regard to its obligations under its agreements with the Company or otherwise to act in the best interests of the Company, so far as is practicable having regard to its obligations to other clients, when potential conflicts of interest arise.

Execution of agreements

Admission is conditional upon the execution of the Principal Documents to enable the Group to purchase the New Assets and lease them to Thai Airways. If the Principal Documents have not been executed by the time of Admission, Admission will not take place and no placing monies will be taken.

Once the Principal Documents have been executed, completion of the acquisition of the New Assets will be subject to the execution of certain other documentation. As at the date of this Prospectus the Company, as advised by DS Aviation, expects that those other agreements will be able to be executed shortly after Admission. In circumstances where the Company is unable to execute all relevant documentation, there is

a risk that the Company may not be able to purchase the New Assets. Should the Company be unable, following Admission, to purchase either or both New Assets before 31 July 2015, the Directors will consider alternatives for the Company, including ways to return any unused capital to the Shareholders.

Risk of debt financing

In order to finance the purchase of the New Assets, the Company intends that two separate Loan Agreements will be entered into shortly before Admission pursuant to which the Group will borrow an amount of up to US\$157,000,000 in total. Pursuant to the New Loan Agreements, the New Lenders will be given first ranking security over the New Assets. Further details on the New Loan Agreements can be found in Part IX of this Prospectus.

Under the provisions of each of the New Loan Agreements, it is a condition precedent to the New Lenders' obligation to advance each New Loan that there has been no material adverse change in any relevant domestic and/or international credit markets applicable to the funding of the New Lenders' participations in the New Loans. If there is such a material adverse change in credit markets prior to the drawdown date of the New Loans, there is a risk that the New Lenders may not advance the New Loans. In addition, the Company's dependency on the New Loans to complete the purchase of the New Assets exposes it to any solvency risk of the New Lenders. A threat to the solvency of a New Lender may cause such New Lender to withdraw its offer of financing. If the New Lenders do not advance the New Loans, the Company will not be able to finance the purchase of the New Assets which would have a material adverse effect on the Company and the value of the Shares and could affect the ability of the Company to meet its investment objective.

Under the provisions of each of the New Loan Agreements, the New Borrowers will be required to comply with loan covenants and undertakings. A failure to comply with such covenants or undertakings may result in the New Lenders recalling the relevant New Loan. In such circumstances, the Group may be required to sell the relevant New Asset to repay the outstanding relevant New Loan. There are circumstances (including a New Borrower's failure to repay a relevant New Loan in full) under which the New Lenders may enforce the security and sell the relevant New Asset or New Assets on the market, and use the proceeds for discharge of the relevant New Borrower's or the New Borrowers' relevant outstanding Loan Repayments relating to the relevant New Loan or New Loans.

In either case, if a New Asset is sold, in relation to that New Asset, the Shareholders will only receive the proceeds left after deducting associated costs and relevant Loan Repayments. There may be no proceeds left after such deduction or the remaining proceeds may be substantially lower than their initial investment in the Company.

The Company may also, from time to time, use borrowings to meet its operational expenses and for efficient cash management. The Directors intend to restrict borrowing for these purposes to an amount not exceeding 15 per cent. of the NAV of the Company at the time of drawdown.

Investors should consider carefully the overall leverage profile of the Company when considering making an investment in the New Shares.

At the date of this Prospectus, the interest rate has not yet been fixed under each New Loan (to be funded by the scheduled fixed rental payments under the corresponding Thai Lease). The rate will be fixed no later than the date of the request to draw down the relevant New Loan. There is a risk that market interest rates could change prior to the date of fixing the interest rate, and this may have an adverse impact on the Company's interest costs and on the level of return payable to Shareholders. The Company would be exposed to counter-party solvency risk in relation to any hedging counter-party.

Cross Collateralisation

The New Loans to be entered into by the New Borrowers to complete the purchase of the New Assets will be cross collateralised. Each of the Third Loan and the Fourth Loan will be secured by way of security taken over each of the Third Asset and the Fourth Asset. In the event of a default on either the Third Loan or the Fourth Loan, the New Lenders may enforce security over both New Assets. This means that a default on one New Loan places both of the New Assets at risk.

Similarly the Existing Loans are cross collateralised and a default on one Existing Loan places both of the Existing Assets at risk. The Existing Loans and the New Loans are not cross collateralised.

Following the enforcement of security and sale of the aircraft, the remaining proceeds, if any, may be substantially lower than investors' initial investment in the Company.

Currency risk

The base currency of the Company is US Dollars. The Net Asset Value will be reported in US Dollars, with distributions expected to be paid in US Dollars. Changes in rates of exchange may have an adverse effect on the value of returns to Shareholders whose base currency is anything other than US Dollars. Furthermore, although all of the Company's income under the Leases is denominated in US Dollars and the large majority of the Company's outgoings including debt repayments under the Loans are also denominated in US Dollars, the Company will incur Sterling and Euro denominated costs primarily relating to Directors' fees and the fees of service providers. Accordingly, an adverse change in the US Dollar/Sterling or US Dollar/Euro exchange rate may have an adverse effect on the Company's financial position.

Reliance on service providers

The Directors have overall responsibility for the Company and, in particular, for making decisions in relation to portfolio and risk management. However, the Company has no employees and the Directors have all been appointed on a non-executive basis. The Company is therefore reliant upon the performance of third party service providers for its executive function and for providing information to enable the Board to carry out its supervisory role. In particular the Asset Manager, the Administrator and the Registrar will be performing services which are integral to the operation of the Group and providing the information required to enable the Board to make its decisions. Failure by any service provider to carry out its obligations to the Group in accordance with the terms of its appointment or to provide information in a timely fashion and meet the requisite standards could have a materially detrimental impact on the operation of the Group and could affect the ability of the Company to meet its investment objective.

Bank solvency risk

The proceeds of the Placing will be collected prior to completion of the purchase of the New Assets under the Thai Sale Agreements. The period between completion of the Placing and completion of the New Asset purchases exposes the Company to solvency risk in respect of the Company's cash management counterparties. In addition, income received from the Leases will be held by Royal Bank of Scotland International Limited as principal bank. Any threat to the solvency of the cash management counterparties or the principal bank could prevent the release of the Placing proceeds, delay or prevent the purchase of the New Assets and/or reduce Lease income available for distribution, each in turn affecting the ability of the Company to meet its investment objective.

Key personnel

The ability of the Company to achieve its investment objective is significantly dependent upon the expertise of certain key personnel at DS Aviation. The Asset Manager may allocate some of its resources to activities in which the Group is not currently engaged or key personnel could become unavailable due, for example, to death or incapacity, as well as due to resignation. In the event of any departure for any reason, it may take time to transition to alternative personnel, which ultimately might not be successful. The impact of the departure of a key individual from DS Aviation on the future ability of the Company to achieve its investment objective cannot be determined and may depend on the ability of DS Aviation to recruit individuals of a similar experience and calibre. There can be no guarantee that DS Aviation would be able to do so and this may have a material adverse effect on the Group and the value of the Shares.

Thai Airways

Thai Airways is an international full-service flag carrier and intends to use the New Assets to operate international long-haul flights. There is no guarantee that the business model of Thai Airways will be successful. Failure of any material part of the business model of Thai Airways may have an adverse impact on its ability to comply with the Thai Leases.

In the event that the Thai Leases are terminated as a result of a default by Thai Airways, there is a risk that the Company will not be able successfully to remarket the New Assets within the remarketing period specified in the New Loan Agreements and that (after using the security deposits and the Liquidity Reserve) the Company will not have sufficient liquidity to comply with its obligations under the New Loan Agreements.

This may lead to a suspension in distributions paid on the Shares and/or a reduction in the value of the Shares and have an adverse effect on the Company and could ultimately result in the New Lenders enforcing their security and selling the relevant New Asset or New Assets on the market. There can be no guarantee that the Company will be able to re-lease the New Assets on terms as favourable as the Thai Leases, which may have an adverse effect on the Company and its ability to meet its investment objective. The price paid by the Company for the New Assets partly reflects the terms of the Thai Leases to which the New Assets are subject. Accordingly, were either or both of the New Assets to be re-leased on less favourable terms, this may have an adverse effect on the value of the New Assets and therefore the Share price.

Listing of Thai Airways on the list of airlines banned within the EU may cause the New Lenders not to sign the New Loan Agreements. Similarly, any downgrade of Thailand by the International Civil Aviation organisation for the purposes of its Universal Safety Oversight Audit Programme or by the US Federal Aviation Administration in the context of its International Aviation Safety Assessments may also result in the New Loan Agreements not being signed.

The non-performance of the obligations by Thai Airways under the Thai Leases or a winding-up of Thai Airways could expose the Company to further unexpected expenses such as insurance cover for the New Assets and the cost of repair and maintenance of the New Assets which would normally be borne by Thai Airways pursuant to the terms of the Thai Leases. The Company may apply any security deposit and maintenance reserve amounts that it has received from Thai Airways towards such expenses, but it will have to cover any shortfall to the extent that the security deposit and maintenance reserves are insufficient to cover all such expenses. Please see the risk factors entitled “Insurance of the Assets” and “Risks associated with the Boeing 787-8” on page 23 of this Prospectus.

Norwegian

Norwegian is a low cost airline and uses the Existing Assets to operate low cost long haul flights. There is no guarantee that Norwegian’s business model to operate low cost, long haul flights or any other part of its business will be successful. Failure of any material part of Norwegian’s business model may have an adverse impact on its ability to comply with the Existing Leases.

In the event that the NAS Leases are terminated as a result of a default by Norwegian, there is a risk that the Company will not be able successfully to remarket the Existing Assets within the remarketing period specified in the Existing Loan Agreements and that (after using the security deposits and the Liquidity Reserve) the Company will not have sufficient liquidity to comply with its obligations under the Existing Loan Agreements. This may lead to a suspension in distributions paid on the Shares and/or a reduction in the value of the Shares and have an adverse effect on the Company and could ultimately result in the Existing Lenders enforcing their security and selling the relevant Existing Asset or Existing Assets on the market. There can be no guarantee that the Company will be able to re-lease the Existing Assets on terms as favourable as the NAS Leases, which may have an adverse effect on the Company and its ability to meet its investment objective. The price paid by the Company for the Existing Assets partly reflects the terms of the NAS Leases to which the Existing Assets are subject. Accordingly, were either or both of the Existing Assets to be re-leased on less favourable terms, this may have an adverse effect on the value of the Existing Assets and therefore the Share price.

The non-performance of the obligations by Norwegian under the NAS Leases or a winding-up of Norwegian could expose the Company to further unexpected expenses such as insurance cover for the non-performance of the obligations by Norwegian under the NAS Leases or a winding-up of Norwegian could expose the Company to further unexpected expenses such as insurance cover for the Existing Assets and the cost of repair and maintenance of the Existing Assets which would normally be borne by Norwegian pursuant to the terms of the NAS Leases. The Company may apply any security deposit and maintenance reserve amounts that it has received from Norwegian towards such expenses, but it will have to cover any shortfall to the extent that the security deposit and maintenance reserves are insufficient to cover all such expenses. Please see the risk factors entitled “Insurance of the Assets” and “Risks associated with the Boeing 787-8” on page 23 of this Prospectus.

Risks relating to the investment strategy and the Assets

Valuation of the Assets

The Company, via the Asset Manager has engaged, prior to the acquisition of the New Assets and will engage on an annual basis throughout the term of the Group's ownership of the relevant Asset, three Independent Expert Valuers to provide third party valuation consultancy services to the Group and to assist it in the determination of the encumbered value of the Assets.

Nevertheless, as valuations, and in particular valuations of assets for which market quotations are not readily available (as is the case for the Assets), are inherently uncertain, these may fluctuate over short periods of time and may be based on estimates. In addition, determinations of fair value may differ materially from the values that would have resulted if a ready market had existed.

The fair value will not constitute a guarantee of value and may not necessarily reflect the prices at which the Assets could be, or could have been, purchased or sold at any given time, which may be subject to significant volatility and uncertainty and depend on various factors beyond the control of the Company, DS Aviation and the Independent Expert Valuers. Therefore there can be no guarantee that the Assets could ultimately be realised at the Company's valuation.

Furthermore, the Company's profitability, Net Asset Value and Share price could be adversely affected if the value of Assets that the Company records is materially higher than the value attributed to the Assets from time to time. This may result in volatility in the Net Asset Values and operating results that the Company reports from period to period.

Risks associated with the Boeing 787-8

The Boeing 787-8 is a recently developed generation of aircraft and the Company is exposed to the used aircraft market of the Boeing 787-8 which is untested. Due to the new type of design, in particular in respect of innovative materials and technology, there is currently insufficient experience and data to be able to give a complete assessment of the long-term use and operation of the aircraft.

There is a risk that the recently developed materials may be found to be less efficient or durable than expected and thereby may lead to higher maintenance and repair costs and/or lower residual values.

The First Asset was delivered to the NAS Seller and to Norwegian under the First NAS Lease on 28 June 2013. The Second Asset was delivered to the NAS Seller and to Norwegian under the Second NAS Lease on 23 August 2013.

The New Assets were delivered to the Thai Seller and to Thai Airways under the relevant Thai Lease on 29 October 2014 in respect of the Third Asset and 9 December 2014 in respect of the Fourth Asset.

Under the terms of the Leases, the cost of repair and maintenance of the Assets will be borne by the relevant Lessee. However, upon expiry or termination of the Leases, the cost of repair and maintenance will fall upon the Group. Therefore upon expiry of the Leases, the Group may bear higher costs and the terms of any subsequent leasing arrangement (including the risk of agreeing less favourable terms for repair, maintenance and insurance costs to those agreed under the Leases) may be adversely affected, which would reduce the overall distributions paid to the Shareholders.

Furthermore, it is also difficult to predict the residual value of such aircraft, which may be adversely affected if maintenance and repair costs are higher than expected or the aircraft do not perform as expected. The Company's business and financial condition may therefore be adversely affected by deterioration in the used aircraft market or a lack of demand for this type of aircraft.

Insurance of the Assets

The Existing Assets are insured by Norwegian and the New Assets are insured by Thai Airways pursuant to the terms of each of the Leases to cover damages and third party liability although not all risks are insured or insurable. However, inflation, changes in ordinances, environmental considerations and other factors may make the insurance proceeds insufficient to repair or replace the Assets if they are damaged or destroyed.

If a Lease is terminated, until a replacement lease is entered into with a new operator, the Group will have to insure the relevant Asset directly, which will cause it to incur additional expenses, which in turn may negatively impact Shareholder returns. If the insurance proceeds are insufficient to repair or replace the Assets if they are damaged or destroyed and if the Lessee is unable to pay, the value of the Shares and Shareholder returns may be adversely affected.

Lease payments

During the term of the Leases, the returns on an investment in the Shares will depend in large part on the Lease Rentals received from the Lessees under the Leases. A failure by either of the Lessees to comply with their respective payment obligations under the relevant Leases may lead to a reduction in distributions paid on the Shares and/or in the value of the Shares and have an adverse effect on the Company.

In advance of the commencement of the lease terms under the Thai Leases, Thai Airways paid a security deposit in respect of each New Asset to ILFC UK Limited. An amount equal to the security deposit will be netted off the sale price under each New Sale Agreement and such security deposits will be deemed to have been paid by Thai Airways to the New Lessor for the purposes of the novated Thai Leases. However, the respective security deposits held by the Existing Lessor and New Lessor do not cover the full value of the Group's obligations pursuant to the Loan Agreements in the event of termination of the NAS Leases and/or the Thai Leases or default by Norwegian or Thai Airways.

Upon any termination of any of the Leases, the relevant Asset may be sold or leased to a new lessee. There is a risk that any new lessee may fail to fulfil its obligations under the relevant lease agreement, or fail to meet its payment obligations in time. Any such failure may diminish the distributions paid on the Shares and/or the value of the Shares and adversely affect the Company.

Upon the termination or expiry of the Leases or any future lease agreement, a further leasing arrangement may be delayed, the achievable lease payments thereunder may fall short of the targeted income returns of the Company or it may not be possible to conclude a further leasing arrangement. In each case, the income available to Shareholders will be adversely affected and the value of the Shares may diminish.

Return of the Assets at the end of the Leases

Any redelivery of an Asset in a condition which is not in compliance with the terms of the relevant Lease may impact upon the amount that can be realised upon any subsequent sale or re-lease of that Asset and may include additional, unforeseen expenses for the Company at that time. However, as contemplated by the Leases and, where relevant, the total care arrangements, (a) the Existing Lessor will have the right under the total care arrangements in respect of the Existing Assets either to receive a cash payment from Boeing reflecting the cash reserves which the Existing Lessee has paid to Boeing, or to require Rolls-Royce and/or Boeing to perform the relevant maintenance and overhaul (in respect of the relevant equipment) with credit being given for all of the payments made by the Existing Lessee, and for certain other items (and if any total care arrangements cease to apply during the term of the NAS Leases) the Existing Lessor may hold cash maintenance reserves paid by the Existing Lessee, and (b) in respect of the New Assets, the New Lessor will hold cash maintenance reserves paid by the New Lessee and/or if total care arrangements are entered into in respect of the New Assets will have rights equivalent to those of the Existing Lessor described above. These contractual arrangements and/or cash maintenance reserves will allow the Company to cover in full or partially such unforeseen expenses.

Market price on disposal of the Assets

The Company's investment in the Assets is designed to be long-term. The Assets cannot be easily sold or transferred given the nature of the Assets and the risk of an illiquid market in aircraft. The market price and value of the Assets may fluctuate due to a number of factors beyond the Company's control, including actual or anticipated fluctuations in the results of the airline industry, market perceptions concerning the airline industry, general economic, social or political developments, changes in industry conditions, changes in government regulation, and other material events, such as acts of God, terrorism, storms or strikes. These factors may mean that the Company may be unable to realise the Assets in line with targeted IRR. This would materially adversely affect the value of the Shares and any potential capital distribution. There is no guarantee that capital distributions to Shareholders will exceed, or equal, the amount originally invested. In addition, where a Lease is terminated early, the servicing of any outstanding debt or outstanding fees and expenses relating to the Assets may adversely affect the distributions to Shareholders.

Calculations of the Net Asset Value may take account of, among other things, straight line depreciation, the discounted future cash flows attributable to the Leases and the interest and principal payable under the Loans and ongoing operating costs of the Group. The amount realised upon any sale of an Asset after the termination of the relevant Lease will therefore not necessarily reflect the Net Asset Value.

Risk associated with the airline industry

Airline industry related risks

The airline industry is particularly sensitive to changes in economic conditions. For example, unfavourable economic conditions, such as higher unemployment rates, reduced sales revenues for many companies and increased business operating costs may have reduced spending for both leisure and business travel, as potential customers of the airlines cut back on travel expenses. Unfavourable economic conditions can also impact the ability of airlines to raise fares to counteract increased fuel, labour and other costs.

The airline industry is also subject to other risks including competition between the airlines, dependency on rapidly evolving technology, inability to obtain additional equipment or support for aircraft and engine suppliers, availability and price of fuel, staff and employee related issues (including employee strikes), security concerns, and the threat of terrorism, worldwide health concerns, airport capacity constraints and air traffic control inefficiencies, changes in or additional governmental regulations relating to air travel, regulatory and legal risks in relation to policy changes in climate change, noise restrictions and greenhouse gas emissions, acts of God (including adverse weather and natural disasters).

Any of these risks could materially affect the ability of the Lessees (or any other lessee) to comply with its respective obligations under the relevant Lease (or any other subsequent lease), which may lead to a reduction in the return payable on the Shares and/or the value of the Shares and have an adverse effect on the Company.

Furthermore, a general downturn in the airline industry would have an impact on attainable leasing rates in the event of any early termination or at expiry of the Leases as well as on attainable sales revenue for the Assets and may lead to a loss of capital for the Shareholders.

Repossession of the Assets upon termination of the Leases due to default

Depending on the jurisdiction in which the Assets are located when the Company decides to repossess the Assets, the repossession process may be time-consuming and costly.

The Company may use the security deposits paid by the Lessees under the Leases towards repossession costs but only after all amounts outstanding under the Loan Agreements have been repaid or with the consent of the relevant security agent. It is unlikely that such sums will be sufficient to cover all of the repossession expenses. The time that it takes to repossess the Assets will delay re-leasing or sale of the Assets to other parties. This may diminish the distributions paid on the Shares and/or the value of the Shares and adversely affect the Company.

Failure by Lessee to appropriately discharge aircraft liens upon Lessee default

In the normal course of their business, lessees are likely to incur aircraft and engine liens that secure the payment of airport fees and taxes, custom duties, air navigation charges, including charges imposed by Eurocontrol, landing charges, crew wages, repairer's charges, salvage or other liens that may attach to the Assets. These liens may secure substantial sums. Aircraft may also be subject to mechanical liens as a result of routine maintenance performed by third parties. Although the financial obligations relating to these liens are the responsibility of the Lessees, if they fail to fulfil their respective obligations, the liens may attach to the Group's Assets. In some jurisdictions, aircraft and engine liens may give the holder thereof the right to detain or, in limited cases, sell or cause the forfeiture of the aircraft. Lessees are obliged to discharge such liens in standard aircraft operating leases so this risk only becomes relevant if the Lessee is in default and unable to discharge the liens.

If such liens exist and the relevant Lessee is in default and unable to discharge the liens, the Company may find it necessary to pay the claims secured by such aircraft liens in order to repossess the aircraft. Such payments would materially and adversely affect returns to Shareholders. Until the Company discharges the

liens in these circumstances, the liens could impair the Group's ability to repossess, re-lease or sell aircraft or engines.

Risks relating to an investment in the Shares

General

An investment in the Shares carries the risk of total loss of capital. The value of a Share can go down as well as up and Shareholders may receive back less than the value of their initial investment and could lose all of the investment.

Liquidity and investment in SFM quoted securities may carry a higher risk than an investment in shares listed on the premium segment of the London Stock Exchange's main market for listed securities

Market liquidity in the shares of investment companies is frequently less than that of shares issued by larger companies traded on the London Stock Exchange. There can be no guarantee that a liquid market in the Shares will exist. Accordingly, Shareholders may be unable to realise their Shares at the quoted market price (or at the prevailing NAV per Share), or at all.

The London Stock Exchange has the right to suspend or limit trading in a company's securities. Any suspension or limitation on trading in the Shares may affect the ability of Shareholders to realise their investment.

The Company has made applications to the London Stock Exchange for the New Shares of the Company to be issued in connection with the Placing, to be admitted to the SFM of London Stock Exchange plc. An investment in shares traded on the SFM may carry a higher risk than an investment in shares traded on the London Stock Exchange's main market for listed securities. In addition, the market in shares on the SFM may have limited liquidity, making it more difficult for an investor to realise its investment on the SFM than to realise an investment in a company whose shares are traded on the London Stock Exchange's main market for listed securities. The Company is not required to appoint a market maker to make a market for Shares traded on the SFM. Therefore, despite Admission, an investment in the Company may have limited liquidity. If a liquid trading market for the Shares does not exist, the price of the Shares may become more volatile and it may be more difficult to complete a buy or sell order for such Shares. Shareholders should therefore be aware that the market price of the Shares, if traded on the SFM may be more volatile than that of shares traded on the London Stock Exchange's main market for listed securities, and may not reflect the underlying value of the net assets of the Company. Shareholders may therefore not be able to sell at a price which permits them to recover their original investment.

Economic conditions

Changes in general economic and market conditions including, for example, interest rates, cost increase, rates of inflation, industry conditions, competition, political events and trends, tax laws, national and international conflicts and other factors could substantially and adversely affect the Group's prospects and thereby the performance of the Shares.

Discount to Net Asset Value

The Shares may trade at a discount to NAV per Share for a variety of reasons, including due to market conditions or to the extent investors undervalue the management activities of the Company. While the Directors may seek to mitigate any discount to NAV per Share, the Company has no formal discount control mechanism such as a share buyback programme and there can be no guarantee that their attempts to mitigate the discount will be successful. The Directors accept no responsibility for any failure of any such strategy to effect a reduction in any discount. Shareholders may be unable to realise their investments through the secondary market at Net Asset Value.

In the event that the Directors were to issue further Shares in the future this could have a detrimental effect on the NAV of existing Shares then in issue. The Directors will not, however, issue further Shares at a discount to NAV without Shareholder approval.

No right of redemption or repurchase

Shareholders will have no right to have their Shares redeemed or repurchased by the Company at any time. Shareholders wishing to realise their investment in the Company may be required to dispose of their Shares on the stock market. Accordingly, the ability of Shareholders to realise the Net Asset Value of, or any value in respect of, their Shares is mainly dependent on the existence of a liquid market in the Shares and the market price of such Shares.

Pre-emption rights

Subject to Guernsey law, and all other legal and regulatory requirements, the Company may issue additional Shares. Any additional issuances by the Company, or the possibility of such issue, may cause the market price of the relevant Shares to decline.

There are no provisions of Guernsey law which confer rights of pre-emption in respect of the issue of additional Shares. If the Company were to issue additional Shares, such issue may be on a non pre-emptive basis and may dilute the shareholdings of the existing Shareholders.

The Company is not, and does not intend to become, registered in the United States as an investment company under the U.S. Investment Company Act and related rules

The Company has not, does not intend to, and may be unable to, become registered in the United States as an investment company under the U.S. Investment Company Act. The U.S. Investment Company Act provides certain protections to U.S. investors and imposes certain restrictions on companies that are registered as investment companies. As the Company is not so registered, and does not intend to register, none of these protections or restrictions is or will be applicable to the Company.

The Shares will be subject to significant transfer restrictions for investors in the United States and certain other jurisdictions as well as forced transfer provisions

The Shares have not been registered and will not be registered in the United States under the U.S. Securities Act or under any other applicable securities laws and are subject to restrictions on transfer contained in such laws (see “Purchase and Transfer Restrictions” on page 33, “United States Purchase and Transfer Restrictions” on page 54 of Part III and paragraph 10 “United States Purchase and Transfer Restrictions” of Part XIV of this Prospectus).

In order to avoid being required to register under the U.S. Investment Company Act, the Company has imposed significant restrictions on the transfer of the Shares which may materially affect the ability of Shareholders to transfer Shares in the United States or to U.S. Persons. The Shares may not be resold in the United States, except pursuant to an exemption from the registration requirements of the U.S. Securities Act, the U.S. Investment Company Act and applicable state securities laws. There can be no assurance that Shareholders or U.S. Persons will be able to locate acceptable purchasers in the United States or obtain the certifications required to establish any such exemption. These restrictions may make it more difficult for a U.S. Person to resell the Shares and may have an adverse effect on the market value of the Shares. The transferability of the Shares is subject to certain restrictions as set out in Parts III, XII and XIII of this Prospectus.

Risks relating to regulation and taxation

Changes in laws

Legal and regulatory changes could occur that may adversely affect the Company. Changes in the regulation of companies such as the Company may adversely affect the value of the Assets and the ability of the Company successfully to pursue its investment objective.

AIFM Directive

The EU Alternative Investment Fund Managers Directive (No. 2011/61/EU) (the **AIFM Directive**) which was required to be transposed by EU member states into national legislation by July 2013 seeks to regulate managers of private equity, hedge and other alternative investment funds (in this paragraph **AIFs**). It imposes obligations on managers who manage alternative investment funds in the EU or who market shares in such funds to EU investors (**AIFMs**).

In order to obtain authorisation under the AIFM Directive an AIFM would need to comply with various organisational, operational and transparency obligations, which may create significant additional compliance costs, some of which may be passed to investors in the alternative investment fund and may affect dividend returns.

The Company is categorised as an internally managed non-EU AIF for the purposes of the AIFM Directive and as such neither it nor the Asset Manager is required to seek authorisation under the AIFM Directive.

The AIFM Directive currently allows the continued marketing of non-EU alternative investment funds (**non-EU AIFs**), such as the Company, by the AIFM or its agent under national private placement regimes where EU member states choose to retain private placement regimes. However there is no requirement for EU member states to retain private placement regimes and some EU member states have either decided not to retain such regimes or adopted systems that impose onerous requirements before marketing can take place.

Marketing under the private placement regime in the United Kingdom requires notification with the FCA and is subject to *inter alia*: (a) the requirement that appropriate co-operation agreements are in place between the supervisory authorities of the EU member states in which marketing will take place and the GFSC (the GFSC signed bilateral cooperation agreements with 27 securities regulators from the EU and the wider EEA which became applicable on 22 July 2013), (b) Guernsey not being on the Financial Action Task Force (**FATF**) money-laundering blacklist (as at 4 June 2015, being the latest practicable date prior to the publication of this document, Guernsey was not on the FATF money laundering blacklist), and (c) compliance by the AIFM with certain aspects of the AIFM Directive.

Any regulatory changes arising from the implementation of the AIFM Directive (or otherwise) that limit the Company's ability to market future issues of its Shares could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

At some point after 2015 it may be the case that a passport will be phased in to allow the marketing of non-EU AIFs such as the Company and that after 2018 private placement regimes will be phased out, although this is currently uncertain. Both the phasing in of the passport and the phasing out of national private placement regimes may increase the regulatory burden on the Company.

Consequently, there may in the future be restrictions on the marketing of the Shares in the EU, which in turn may have a negative effect on marketing and liquidity generally in the Company's Shares. In addition, certain registration and reporting requirements in relation to any future marketing are likely to lead to an increase in the costs borne by the Company.

As noted above, the Directors have been advised that the Company should be classified as an internally managed AIFM for the purposes of the AIFM Directive. Correspondingly, the advisory services in relation to the Assets that are performed by the Asset Manager are outside the scope of the AIFM Directive. However, the AIFM Directive and the laws and regulations made under it by each EU Member State are new and untested. There is therefore a risk that the Company might not be classified as an internally managed AIF and that the Asset Manager might be regarded as the AIFM. As the Asset Manager is established in an EU Member State (Germany), should it be regarded as the AIFM, it would become subject to certain provisions of the AIFM Directive (or relevant German implementing legislation) and the Company would have to comply with national fund regulation provisions. Although the primary impact of this would be on the Asset Manager, the Company would also be affected. In these circumstances, it is possible that the relevant legislation could impose requirements on the Asset Manager and the Company that make it uneconomic or even unlawful for the Asset Manager to continue to provide services to the Company on the basis described in this Prospectus. This in turn may lead to the Asset Manager seeking to vary the terms of its appointment, including seeking increased fees, or ultimately to the Asset Manager seeking to terminate its appointment as Asset Manager. Furthermore, the AIFM Directive or relevant German implementing legislation could impose requirements on the Asset Manager that indirectly lead to increased reporting or other requirements for the Company and a consequent increase in the Company's operating costs. Any of the above scenarios could have an adverse effect on returns to Shareholders.

Changes in taxation

Any change in the Company's tax status, or in taxation legislation or practice in Guernsey, Ireland, Norway, Thailand or the United Kingdom could affect the value of the investments held by the Company or the

Company's ability to achieve its investment objective or alter the after-tax returns to Shareholders. Statements in this Prospectus concerning the taxation of Shareholders are based upon current Guernsey, Irish, Norwegian, Thai or United Kingdom tax law and published practice. Law and practice is, in principle, subject to change (potentially with retrospective effect) that could adversely affect the ability of the Company to meet its investment objective and which could adversely affect the taxation of Shareholders.

Offshore funds

Part 8 of the Taxation (International and Other Provisions) Act 2010 contains provision for the UK taxation of investors in offshore funds. Whilst the Company does not expect to be treated as an offshore fund it does not make any commitment to investors that it will not be treated as one. Investors should not expect to realise their investment at a value calculated by reference to Net Asset Value.

Exchange controls and withholding tax

The Company may from time to time purchase investments that will subject the Company to exchange controls or withholding taxes in various jurisdictions. In the event that exchange controls or withholding taxes are imposed with respect to any of the assets of the Group, the effect may be to reduce the income received by the Company from such investments unless contractual protection is available. Any reduction in the income received by the Company may lead to a reduction in the dividends, if any, paid by the Company.

The Company has been advised that the rental payments from Thai Airways to the New Lessor should not be subject to Thai withholding taxes. This advice is dependent on the New Lessor's status as a UK tax resident company eligible for benefits under the UK-Thailand double tax treaty. If the status of the New Lessor as an eligible UK tax resident changes, Thai tax may need to be withheld on payments of rent to the New Lessor and, in certain limited circumstances where such change does not arise from a change of law, this could adversely impact the returns available for distribution to the investors in the Company.

Transfer Pricing

The Group manages its UK tax liabilities by, *inter alia*, relying on tax deductions for rental payments made to the Company. There are a number of provisions which could restrict the availability of those tax deductions. UK transfer pricing legislation limits the tax deductibility of payments should any terms of such payments between related parties be considered not to reflect normal arm's length terms which would have been agreed between two independent enterprises. The Group has made certain assumptions about the commercial level of margin which is expected to be subject to UK corporation tax in the hands of the New Lessor, and has adequately factored such tax into its financial models on the basis of those assumptions. If the assumptions are incorrect, any restriction to the tax deductibility of the rental payments made to the Company could result in increased UK corporation tax liabilities for the Group and this could in turn affect the returns to the investors. The current rate of UK corporation tax is 20 per cent.

Tax residency

It is intended that the Company will be controlled and managed in such a way that it is resident for tax purposes in Guernsey and in no other jurisdiction. In order to maintain this status, the composition of the board of Directors of the Company, the place of residence of the individual Directors and the location(s) in which the board of Directors of the Company makes decisions will be important in determining and maintaining the residence status of the Company. Although the Company is established in Guernsey and a majority of the Directors live in Guernsey, continued attention must be given to ensure that major decisions are not made in any other jurisdiction or the Company may be treated as becoming resident in another jurisdiction. As such, management errors could potentially lead to the Company being considered tax resident in a jurisdiction other than Guernsey which could negatively affect its financial and operating results, the value of the Shares and/or the after-tax return to the Shareholders.

The Assets will be operated by the Lessees in multiple states and foreign jurisdictions. Consequently the Company may have a nexus or taxable presence as a result of the aircraft landing in various states or foreign jurisdictions. Such landings may result in the Company being subject to various foreign, state and local taxes in such states or foreign jurisdictions. All such taxes arising during the lease term would normally be borne by the Lessees pursuant to the terms of the relevant Leases. The Lessees' obligation to indemnify the Company for any taxes occurring during the lease term continues after any default by the Lessee and the termination of the leasing of the Assets to the relevant Lessee. However, if a Lessee is unable to discharge

its respective indemnification obligations in this respect, the Group may have to pay such taxes and the overall distributions paid to Shareholders may be adversely affected. Please see Part VI of this Prospectus on page 67 for further details on the Leases.

OECD consultations on changes in tax law

Prospective investors should be aware that the OECD published its Action Plan on Base Erosion and Profit Shifting (**BEPS**) in 2013 and that a public consultation process is currently underway. The BEPS project is ongoing, with further consultation and recommendations (in addition to those which have already been made) expected during 2015. Depending on how BEPS is introduced by relevant jurisdictions, any changes to tax laws based on recommendations made by the OECD in relation to BEPS may result in additional reporting and disclosure obligations for investors and/or additional tax being suffered by the Company or its underlying subsidiaries which may adversely affect the value of the investments held by the Company and market price of the Shares.

Diverted profits tax

The UK government has unilaterally taken action consistent with the BEPS project by introducing through Part 3 of the Finance Act 2015 a tax on “diverted profits”. Where the necessary conditions are met, diverted profits tax is charged in the UK at 25 per cent. of the amount of the diverted profits. The Company has been advised that diverted profits tax should not apply. However, the imposition of any charge to diverted profits tax could materially reduce the value of the Shares and returns to Shareholders.

United States (U.S.) Tax Withholding and Reporting under the Foreign Account Tax Compliance Act (FATCA)

Under the FATCA provisions of the U.S. Hiring Incentives to Restore Employment (HIRE) Act, where the Company invests directly or indirectly in U.S. assets, payments to the Company of U.S.-source income after 30 June 2014, gross proceeds of sales of U.S. property by the Company after 31 December 2016 and certain other payments received by the Company after 31 December 2016 will be subject to 30 per cent. U.S. withholding tax unless the Company complies with FATCA. FATCA compliance can be achieved by entering into an agreement with the U.S. Secretary of the Treasury under which the Company agrees to certain U.S. tax reporting and withholding requirements as regards holdings of and payments to certain investors in the Company or, if the Company is eligible, by becoming a “deemed compliant fund”. Guernsey has entered into an inter-governmental agreement with the U.S. Treasury.

The aim of the intergovernmental agreement is that Guernsey institutions should be deemed compliant with FATCA by requiring them to report information to the Guernsey tax authority pursuant to domestic legislation rather than the tax authorities in the U.S. If they are deemed to be compliant in this way, it is not anticipated that withholding tax should arise. Any amounts of U.S. tax withheld may not be refundable by the Internal Revenue Service (**IRS**). Potential investors should consult their advisors regarding the application of the withholding rules and the information that may be required to be provided and disclosed to the Company and in certain circumstances to the IRS as will be set out in the FATCA regulations.

Under the US-Guernsey Intergovernmental Agreement (**IGA**), securities that are “regularly traded” on an established securities market are not considered financial accounts and are not subject to reporting. For these purposes, the Shares will be considered “regularly traded” if there is a meaningful volume of trading with respect to the Shares on an ongoing basis. Notwithstanding the foregoing, from 1 January 2016, a Share will not be considered “regularly traded” and will be considered a financial account if the holder of the Shares (other than a financial institution acting as an intermediary) is registered as the holder of the Share on the Company’s share register. Such Shareholders will be required to provide information to the Company to allow the Company to satisfy its obligations under FATCA. Additionally, even if the Shares are considered “regularly traded” on an established securities market, Shareholders that own the Shares through financial intermediaries may be required to provide information to such financial intermediaries in order to allow the financial intermediaries to satisfy their obligations under FATCA. Notwithstanding the foregoing, the relevant rules under FATCA may change and, even if the Shares are considered “regularly traded” on an established securities market, Shareholders may, in the future, be required to provide information to the Company in order to allow the Company to satisfy its obligations under FATCA. The Company’s FATCA due diligence and reporting obligations will be governed by the US-Guernsey IGA and any applicable Guernsey implementing legislation.

UK-Guernsey Intergovernmental Agreement

On 22 October 2013, the Chief Minister of Guernsey signed an intergovernmental agreement with the UK (**UK-Guernsey IGA**) under which certain disclosure requirements are imposed in respect of certain investors in the Company who are resident in the UK or, in the case of entities, are controlled by one or more residents in the UK. The UK-Guernsey IGA is implemented through Guernsey's domestic legislation in accordance with guidance which is currently published in draft form. Accordingly, the full impact of the UK-Guernsey IGA on the Company and its reporting responsibilities pursuant to the UK-Guernsey IGA is currently uncertain.

Under the current draft guidance securities that are "regularly traded" on an established securities market are not considered financial accounts and are not subject to reporting. Notwithstanding the foregoing, the relevant legislation or guidance may change and even if the Shares are considered "regularly traded" on an established securities market, Shareholders may, in the future, be required to provide information to the Company in order to allow the Company to satisfy its reporting obligations.

If prospective investors are in any doubt as to the consequences of their acquiring, holding or disposing of the Shares, they should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

IMPORTANT NOTICES

Investors should rely only on the information contained in this Prospectus. No person has been authorised to give any information or to make any representations other than those contained in this Prospectus in connection with the Placing and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company. Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to section 87G(1) of FSMA, neither the delivery of this Prospectus nor any subscription or sale made under this Prospectus shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company since the date hereof or that the information contained herein is correct as of any time subsequent to its date.

The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult its own solicitor, financial adviser or tax adviser for legal, financial or tax advice in relation to the purchase of New Shares.

An investment in the New Shares is suitable only for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear losses (which may equal the whole amount invested) that may result from such an investment. An investment in the New Shares should constitute part of a diversified investment portfolio. Accordingly, typical investors in the Company are expected to be institutional and sophisticated investors, investment professionals, high net worth bodies corporate, unincorporated associations, partnerships and trustees of high value trusts and private clients (all of whom will invest through brokers).

The Company has given written notification to the FCA pursuant to section 59 of The Alternative Investment Fund Managers Regulation 2013 (SI 1773/2013) (the **AIFM Regulations**) of its intention to market the New Shares in the United Kingdom in accordance with the AIFM Regulations and the rules of the FCA.

General

Prospective investors should rely only on the information contained in this Prospectus. No broker, dealer or other person has been authorised by the Company, its Directors or Canaccord Genuity to issue any advertisement or to give any information or to make any representation in connection with the offering or sale of the New Shares other than those contained in this Prospectus and, if issued, given or made, any such advertisement, information or representation must not be relied upon as having been authorised by the Company, its Directors or Canaccord Genuity.

Prospective investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters. Prospective investors should inform themselves as to:

- (a) the legal requirements within their own countries for the purchase, holding, transfer, redemption or other disposal of New Shares;
- (b) any foreign exchange restrictions applicable to the purchase, holding, transfer, redemption or other disposal of New Shares which they might encounter; and
- (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer, redemption or other disposal of New Shares. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

Statements made in this Prospectus are based on the law and practice currently in force in Guernsey, Thailand, Norway, Ireland and in England and Wales and are subject to changes therein.

This Prospectus should be read in its entirety before making any application for New Shares.

Application has been made to the London Stock Exchange for 96,333,333 New Shares of no par value issued, and to be issued pursuant to the Placing, to be admitted to trading on the SFM. It is expected that Admission will become effective and that dealings in such New Shares will commence at 8.00 a.m. on 12 June 2015.

All times and dates referred to in this Prospectus are, unless otherwise stated, references to London times and dates.

Purchase and Transfer Restrictions

This document is being furnished by the Company solely to enable a prospective investor to consider the purchase of New Shares in an offering being made in reliance on the exemption from registration provided by Regulation S under the U.S. Securities Act, or another available exemption from, as it is a transaction not subject to the registration requirements under the U.S. Securities Act. This document does not constitute, and may not be used for the purposes of, an offer or an invitation to subscribe for New Shares by any U.S. Person or any person within the United States, or in any jurisdiction (i) in which such offer or invitation is not authorised, or (ii) in which the person making such offer or invitation is not qualified to do so, or (iii) to any person to whom it is unlawful to make such offer or invitation. Any reproduction or distribution of this Prospectus and any disclosure of its contents or use of any information herein, directly or indirectly, in whole or in part, within the United States or to any U.S. Person is prohibited. Each offeree of the New Shares, by accepting delivery of this Prospectus, agrees to the foregoing.

Neither the U.S. Securities and Exchange Commission (the **SEC**) nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this Prospectus. Any representation to the contrary is a criminal offence in the United States. Accordingly, the New Shares are being offered and sold (i) outside the United States to non-U.S. Persons in reliance on Regulation S under the U.S. Securities Act and (ii) to persons located inside the United States or U.S. Persons reasonably believed to be qualified institutional buyers (**Qualified Institutional Buyers** or **QIBs**), as defined in Rule 144A under the U.S. Securities Act, who are also qualified purchasers (**Qualified Purchasers** or **QPs**), as defined in the U.S. Investment Company Act, who have executed and returned a U.S. Subscription Agreement (hereinafter defined). There will be no public offer of the New Shares in the United States.

In addition, prospective investors should note that, except with the express written consent of the Company given in respect of an investment in the Company, the Shares may not be acquired by (i) investors using assets of (A) an “employee benefit plan” as defined in Section 3(3) of the United States Employee Retirement Income Security Act of 1974, as amended (**ERISA**), that is subject to Title I of ERISA; (B) a “plan” as defined in Section 4975 of the United States Internal Revenue Code of 1986, as amended (the **U.S. Tax Code**), including an individual retirement account or other arrangement that is subject to Section 4975 of the U.S. Tax Code; or (C) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the U.S. Tax Code or (ii) a governmental, church, non-U.S. or other employee benefit plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the U.S. Tax Code, unless its purchase, holding, and disposition of the New Shares will not constitute or result in a non-exempt violation of any such substantially similar law.

For a description of restrictions on offers, sales and transfers of Shares, see “United States Purchase and Transfer Restrictions” beginning on page 54 of this Prospectus.

No incorporation of website

The contents of the Company’s website do not form part of this Prospectus.

Service of process and enforceability of judgments

The Company is incorporated under the laws of Guernsey. None of the Directors are citizens or residents of the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Company or any of the Directors, or to enforce outside the United States judgments obtained against the Company or any of the Directors in U.S. courts, including, without limitation, judgements based upon the civil liability provisions of the U.S. federal securities laws or the laws of any state or territory within the United States. There is doubt as to the enforceability in Guernsey, in original actions or in actions for enforcement of United States court judgements, of civil liabilities predicated solely upon U.S. federal securities laws. In addition, awards for punitive damages in actions brought in the United States or elsewhere may be unenforceable in Guernsey.

The only assets of the Company, in addition to the shares in each of the Borrowers and each of the Lessors, will be an indirect investment in the Assets, which will be employed in international commercial airline passenger operations and will therefore operate across a number of jurisdictions.

Forward-looking statements

This document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “target”, “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology. These forward looking statements include all matters that are not historical facts. They appear in a number of places throughout this Prospectus and include statements regarding the intentions, beliefs, targets or current expectations of the Company concerning, amongst other things, the investment objective and investment policy, financing strategies, investment performance, results of operations, financial condition, prospects, net IRR and dividend policy of the Company. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company’s actual investment performance, results of operations, financial condition, dividend policy and the development of its financing strategies may differ materially from the impression created by the forward looking statements contained in this Prospectus. In addition, even if the investment performance, results of operations and financial condition of the Company, and the development of its financing strategies, are consistent with the forward-looking statements contained in this Prospectus, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause these differences include, but are not limited to:

- changes in economic conditions generally and the Company’s ability to achieve its investment objective and returns on equity for investors;
- impairments in the value of the Assets;
- non-performance by the Lessees of any of their respective material obligations;
- the departure of key personnel of the Asset Manager;
- changes in laws or regulations, including tax laws, or new interpretations or applications of laws and regulations, that are applicable to the Group; and
- general economic trends and other external factors, including those resulting from war, incidents of terrorism or responses to such events.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. Prospective investors should carefully review the “Risk Factors” section beginning on page 18 of this Prospectus for a discussion of additional factors that could cause the Company’s actual results to differ materially before making an investment decision. Forward-looking statements speak only as at the date of this Prospectus. Although the Company undertakes no obligation to revise or update any forward looking statements contained herein (save where required by the Prospectus Rules or the Disclosure and Transparency Rules of the FCA), whether as a result of new information, future events, conditions or circumstances, any change in the Company’s expectations with regard thereto or otherwise, Shareholders are advised to consult any communications made directly to them by the Company and/or any additional disclosures through announcements that the Company may make through an RIS.

Market, Economic and Industry Data

This Prospectus includes third party information (including certain market, economic and industry data) which was obtained by the Company from industry publications and internal surveys conducted by or on behalf of DS Aviation and, where used, the source of such information is referenced. The market, economic and industry data sourced from third parties used to prepare the disclosures in this Prospectus have been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

EXPECTED TIMETABLE

Latest time and date for commitments under the Placing	noon on 9 June 2015
Result of Placing announced	10 June 2015
Dealings in New Shares commence on the SFM	12 June 2015
Crediting of CREST stock accounts in respect of the New Shares	12 June 2015
Share certificates dispatched	week commencing 15 June 2015

* The dates and times specified are subject to change without further notice. References to times are London times unless otherwise stated.

PLACING STATISTICS

Issue Price	105.89 cents per New Share
Number of New Shares being issued	96,333,333
Estimated net proceeds of the Placing	US\$99.5 million

DIRECTORS AND ADVISERS

Directors (<i>each of whom acts in a non-executive capacity</i>)	Jonathan (Jon) Bridel (<i>Chairman</i>) Didier Benaroya Jeremy Thompson all of 1 Le Truchot St Peter Port Guernsey GY1 1WD Channel Islands
Registered Office	1 Le Truchot St Peter Port Guernsey GY1 1WD Channel Islands
Placing Agent	Canaccord Genuity Limited 88 Wood Street London EC2V 7QR United Kingdom
Asset Manager	DS Aviation GmbH & Co. KG Stockholmer Allee 53 44269 Dortmund Germany
Solicitors to the Company (as to English law)	Norton Rose Fulbright LLP 3 More London Riverside London SE1 2AQ United Kingdom
Advocates to the Company (as to Guernsey law)	Ogier Redwood House St Julian's Avenue St Peter Port Guernsey GY1 1WA Channel Islands
Solicitors to the Placing	Maclay Murray & Spens LLP One London Wall London EC2Y 5AB United Kingdom
Administrator and Company Secretary	Dexion Capital (Guernsey) Limited 1 Le Truchot St Peter Port Guernsey GY1 1WD Channel Islands

Registrar	<p>Capita Registrars (Guernsey) Limited Mont Crevelt House Bulwer Avenue St Sampson Guernsey GY2 4LH Channel Islands</p>
Auditor and Reporting Accountant	<p>KPMG 1 -2 Harbourmaster Place International Financial Services Centre Dublin 1 Ireland</p>
UK Transfer Agent	<p>Capita Registrars The Registry 34 Beckenham Road Beckenham Kent BR3 4TU United Kingdom</p>
Principal Bankers	<p>Royal Bank of Scotland International Limited 2nd Floor, Royal Bank Place 1 Gategny Esplanade St Peter Port Guernsey</p>

PART I

INFORMATION ON THE COMPANY

Introduction

The Company is a Guernsey incorporated company limited by shares, incorporated on 5 July 2013 with registered number 56941. Its share capital consists of one class of Shares and one class of Subordinated Administrative Shares. The Articles also provide for the issue of C Shares with the rights set out in the Articles. There are currently 113,000,000 Shares in issue, all of which are admitted to trading on the SFM. Such Shares were previously listed on the Official List of the CISEA; however this listing was cancelled on 27 May 2015.

Investment in the Company is only suitable for institutional and sophisticated investors, investment professionals, high net worth bodies corporate, unincorporated associations, partnerships and trustees of high value trusts and private clients (all of whom will invest through brokers) seeking medium to long-term capital appreciation who understand the risks involved in the Company, including the risk of complete loss of capital.

The Company intends to raise US\$102.0 million through the issue of New Shares pursuant to the Placing. Application has been made to the London Stock Exchange for all the New Shares to be issued pursuant to the Placing to be admitted to trading on the SFM.

The Company intends to use the Placing Proceeds, together with debt borrowings, to purchase two aircraft (the **New Assets**). The Company will indirectly acquire the New Assets from the Thai Sellers, each of which is an affiliate of the AerCap Group, via two Guernsey incorporated special purpose subsidiary companies (the **New Borrowers**), which will acquire legal title to the New Assets. Pursuant to novation agreements, the Thai Sellers will transfer their respective interests under the Thai Leases to an English special purpose subsidiary of the Company (the **New Lessor**). There will be a head lease between each New Borrower and the New Lessor.

Investment objective

The Company's investment objective is to obtain income returns and a capital return for its Shareholders by acquiring, leasing and then, when the Board considers it is appropriate, selling aircraft.

Investment policy

To pursue its investment objective, the Company intends to use the net proceeds of placings and other equity capital raisings, together with debt facilities, to acquire aircraft which will be leased to one or more international airlines.

Any material change to the investment policy of the Company will be made only with the approval of Shareholders by way of an ordinary resolution. Any placings and other equity capital raisings to finance the acquisition of further aircraft will be made only with the approval of Shareholders by way of an ordinary resolution.

An ordinary resolution to approve the Placing for the purposes of raising equity monies to fund the acquisition of the New Assets was passed on 18 May 2015.

Investment process

The Company intends to use the Placing Proceeds and the proceeds of the two separate New Loans, each of up to US\$78,500,000, to fund the purchase of two Boeing 787-8 aircraft. The Principal Documents will be executed prior to Admission and completion of the acquisition of the New Assets is expected in the second quarter of 2015. The Company will buy the New Assets with the benefit of pre-negotiated leases for the New Assets with Thai Airways, each for a term of 12 years from their respective commencement dates (which was October 2014 in respect of the Third Asset and December 2014 in respect of the Fourth Asset). The benefit of the Thai Leases has been taken into account in determining the price to be paid for the New Assets.

The Company will execute the Principal Documents prior to Admission and intends to enter into all other documents required in order to complete the acquisition of the New Assets shortly after Admission.

The Company will have the ability to acquire additional aircraft if, in the view of the Board, the acquisition of such additional aircraft would not have a material adverse effect on the Company's target income distributions. As with the acquisition of the New Assets, the acquisition of any additional aircraft would be financed by way of a placing and a loan.

Market opportunity

If the Placing Amount is raised and Admission takes place, and the Company raises the debt finance needed to complete the purchase of the New Assets, it is expected that the Company will be able to acquire the New Assets and lease the New Assets to Thai Airways on what the Company considers, as advised by DS Aviation, to be attractive terms.

The New Assets

The New Assets consist of two Boeing 787-8s, which are to be purchased by the Company following Admission pursuant to the Thai Sale Agreements, details of which are set out in Part V of this Prospectus. The Company already owns two Boeing 787-8s through wholly owned subsidiaries, both of which are currently leased to Norwegian.

The Boeing 787-8 is a long-range, mid-size widebody, twin engine jet airliner with an innovative design, offering lower fuel consumption than comparable aircraft. The customer list of the Boeing 787-8 amounts to 44 operators (total customer number for the 787-family: 59). It includes a wide range of different airline business models such as full service network carriers (e.g. Air France-KLM, American Airlines, British Airways, Etihad Airways, Qantas, Singapore Airlines, China Southern and ANA), charter and low cost carriers (e.g. Air Europa, Lion Air, Scoot, Tui Travel) and smaller airlines (e.g. Air Niugini, Royal Air Maroc, Royal Jordanian). In addition to this, leading leasing companies such as AerCap and CIT have also ordered the Boeing 787-8. Please see Part IV of this Prospectus for further details on the New Assets.

The Leases

The Principal Documents, which are to be executed prior to Admission, include a novation agreement relating to each New Asset, pursuant to which ILFC UK Limited will transfer its interests under the Thai Leases to the New Lessor (a new wholly-owned subsidiary of the Company) which will thus lease the relevant New Asset to Thai Airways.

The Company (through its subsidiaries) and Norwegian have entered into two Existing Novation Agreements, one relating to each Existing Asset, pursuant to which the Company (through its subsidiaries) has leased each Existing Asset to Norwegian.

Each novated Thai Lease will be on substantially similar terms to the novated NAS Leases (without taking into account the amounts of payment obligations and the underlying maintenance contracts) and will provide for monthly Lease Rentals (composed of US Dollar Lease Rentals). It is expected that the US Dollar Lease Rentals will be for an amount that will exceed the anticipated principal and interest payments under the relevant New Loan, as well as allowing for the payment of all other running costs, and will provide a sufficient contribution to maintain the target dividend return. The novated Thai Leases will contain various other provisions, including provisions as to insurance of the New Assets and their maintenance. Please see Part VI of this Prospectus for further details on the Thai Leases. The security interests created over the New Assets will be given as security for both of the New Loans on a cross-collateralised basis, increasing the risk of a reduction in, or a suspension of, dividends in the event of a default under either New Loan Agreement.

Thai Airways

Thai Airways is the lessee of the New Assets pursuant to the terms of the Thai Leases. Thai Airways is the national carrier of the Kingdom of Thailand. It operates full service domestic, regional and intercontinental flights radiating from its home base in Bangkok to key destinations around the world and within Thailand.

The company's paid up capital amounts to 21.83 billion Baht (equivalent to approximately US\$663.53 million based on the Baht/US\$ exchange rate as at 31 December 2014) and is 53.16 per cent. owned by the Ministry of Finance and the Government Savings Bank. The credit rating of the Thai Government is Baa1 (Moody's). Moody's is not registered in the European Union.

Thai Airways is listed on the stock exchange of Thailand.

Thai Airway's revenue for the 2013 fiscal year was Baht 207.71 billion (equivalent to approximately US\$6.32 billion based on the Baht/US\$ exchange rate as at 31 December 2013), a slight decrease to the previous year). In 2014, its revenues amounted to Baht 203.88 billion (equivalent to approximately US\$6.19 billion based on the Baht/US\$ exchange rate as at 31 December 2014) with the decrease mainly caused by political unrest in the first half of 2014.

Please see Part VIII of this Prospectus for further details on Thai Airways.

Norwegian

Norwegian is the lessee of the Existing Assets pursuant to the terms of the NAS Leases. Norwegian is the second largest airline in Scandinavia and the third largest low-cost airline in Europe, with a route portfolio stretching across Europe into North Africa, North America, Asia and the Middle East.

Norwegian was listed on the Oslo Stock Exchange in 2003 and, as at 31 December 2014, had a market capitalisation of NOK 9,711 million (equivalent to approximately US\$1.29 billion based on the NOK/US\$ exchange rate as at 31 December 2014).

Norwegian's revenue for the 2013 fiscal year was NOK 15,580 million (equivalent to approximately US\$2.56 billion based on the NOK/US\$ exchange rate as at 31 December 2013), an increase of 21 per cent. over the previous year. In 2014, its revenues amounted to NOK 19,540 million (equivalent to approximately US\$2.60 billion based on the NOK/US\$ exchange rate as at 31 December 2014), an increase of 25 per cent. Please see Part VII of this Prospectus for further details on Norwegian.

The Loans

The Company intends (acting through the New Borrowers, its wholly-owned subsidiaries) to enter into two loan agreements (the **Third Loan** and the **Fourth Loan**) with the New Lenders in relation to its acquisition of each of the New Assets. The New Borrowers will enter into the New Loan Agreements before Admission.

A fixed rate of interest will apply to the New Loans as set out in each respective New Loan Agreement. Furthermore, the security interests created over the New Assets will be created as security for both of the New Loans on a cross-collateralised basis, increasing the risk of a reduction in, or a suspension of, dividends in the event of a default under either New Loan Agreement.

It is expected that the Third Loan of up to US\$78,500,000 will be fully amortised with monthly repayments in arrears over the scheduled term of the Third Lease. Pursuant to the Third Loan, a first priority mortgage over the Third Asset will be granted to the New Loan Security Trustee. The New Loan Security Trustee will also be nominated as the first loss payee under the Third Asset's insurance.

It is expected that the Fourth Loan of up to US\$78,500,000 will also be fully amortised with monthly repayments in arrears over the scheduled term of the Fourth Lease. Pursuant to the Fourth Loan, a first priority mortgage over the Fourth Asset will be granted to the New Loan Security Trustee. The New Loan Security Trustee will also be nominated as the first loss payee under the Fourth Asset's insurance.

The legal and beneficial title to the Third Asset will be held by the Third Borrower, a Guernsey company which is a wholly-owned subsidiary of the Company and the Third Borrower will lease the Third Asset to the New Lessor pursuant to a head lease. Pursuant to a novation agreement, ILFC UK Limited will transfer its interests under the relevant Thai Lease to the New Lessor, an English special purpose company which is a wholly-owned subsidiary of the Company.

Similarly the legal and beneficial title to the Fourth Asset will be held by the Fourth Borrower, a Guernsey company which is a wholly-owned subsidiary of the Company and the Fourth Borrower will lease the Fourth

Asset to the New Lessor pursuant to a head lease. Pursuant to a novation agreement, ILFC UK Limited will transfer its interests under the relevant Thai Lease to the New Lessor.

There will be a head lease between each New Borrower and the New Lessor.

For further details of the terms of the Loans please refer to Part IX of this Prospectus.

The Company intends to execute the Principal Documents and all other documents required in order to complete the acquisition of the New Assets prior to or shortly after Admission. In the unlikely event that the Company is unable to complete the acquisition of one or both of the New Assets, the Directors will consider alternative courses of action available to the Company, including ways to return any unused capital to Shareholders.

Significant activities of the Company since its incorporation

In accordance with the investment policy, and following the IPO, the Company completed the purchase of the Existing Assets, each of which has been leased to Norwegian.

The First Asset was acquired by the Existing Lessor as trustee for the First Borrower for a purchase price of US\$131,696,226. The First Borrower is the beneficiary of the relevant Trust and the Existing Lessor is the trustee.

The Second Asset was acquired by the Existing Lessor as trustee for the Second Borrower for a purchase price of US\$132,405,074. The Second Borrower is the beneficiary of the relevant Trust and the Existing Lessor is the trustee.

Upon the acquisition of each of the Existing Assets in accordance with the NAS Sale Agreements, the NAS Leases were novated to the Existing Lessor (acting as trustee on behalf of the First Borrower in respect of the First Asset, and as trustee on behalf of the Second Borrower in respect of the Second Asset) pursuant to the Existing Lease Novations and accordingly the Existing Lessor leases the Existing Assets to Norwegian.

In order to complete the purchase of the Existing Assets, the Existing Borrowers entered into two separate Loans, each of which are being fully amortised with monthly repayments in arrears, in the case of the First Borrower, over the term of the First Lease and in the case of the Second Borrower, over the term of the Second Lease. A floating rate of interest applies to the Existing Loans, although hedging arrangements have been put in place to provide for fixed-rate interest to be payable.

Distribution policy

The Company aims to provide Shareholders with an attractive total return comprising income, from distributions through the period of the Company's ownership of the Assets, and capital, upon any sale of the Assets.

In the event that the Company is wound up pursuant to a shareholder resolution, Shareholders may also receive a capital return out of any sale of Assets and any surplus assets of the Company.

The Company currently targets a net IRR in excess of 11 per cent. on the original issue price of its Shares in October 2013 over the life of the NAS Leases. This target takes into account the economic full-life condition of the Existing Assets upon the expiry of the NAS Leases. This target will be maintained on the original issue price (until expiry of the Thai Leases) in the event that the New Assets are acquired. This net IRR is a target only and should not be treated as an assurance or guarantee of performance or a profit forecast. It is based on the performance projections of the investment strategy and market conditions at the time of modelling and is therefore subject to change. There is no guarantee that any target net IRR can or will be achieved. Investors should not place any reliance on such target IRR in deciding whether to invest in the New Shares or assume that the Company will make any distributions at all. Please see Part X of this Prospectus for details of certain of the key Assumptions on which the calculation of the above target net IRR is based.

Income distributions

The Company receives income from the Lease Rentals paid by Norwegian pursuant to the NAS Leases. The Company will receive income from the Lease Rentals paid by Thai Airways pursuant to the Thai Leases. It is anticipated that income distributions will be made quarterly, subject to compliance with Applicable Law and regulations, in February, May, August and November of each year. The Company currently targets a distribution to investors of 2.25 cents per Share per quarter (amounting to a yearly distribution of 9.0 per cent. based on the IPO Issue Price of US\$1.00 per Share).

The Company intends to raise US\$102.0 million pursuant to the Placing through the issue of 96,333,333 New Shares at an issue price of 105.89 cents. It is expected that the Company will continue to be in a position to make a quarterly distribution of 2.25 cents per Share if 96,333,333 New Shares are issued pursuant to the Placing.

Accordingly:

- an Existing Shareholder who acquired Shares pursuant to the IPO and who chooses not to participate in the Placing will maintain a target dividend yield of 9.0 per cent. (being 9.0 cents per annum on the IPO Issue Price of US\$1.00);
- an investor who invests in the Company for the first time through the Placing will receive New Shares with a target dividend yield of 8.5 per cent. (being 9.0 cents per annum on an issue price of US\$1.0589 per New Share); and
- an Existing Shareholder who acquired Shares pursuant to the IPO or following the IPO and who acquires New Shares will hold Shares with a blended dividend yield, with the precise figure depending on the number of Shares held and the price at which such Shares were acquired.

The income the Company actually receives cannot be accurately predicted and is subject to risks including, but not limited to, a default by a Lessee. There can, therefore, be no guarantee that dividends will be paid to Shareholders and, if dividends are paid, as to the timing and amount of any such dividend. Distributions of dividends to Shareholders will be subject always to compliance with the Companies Laws.

Before recommending any dividend, the Board will consider the financial position of the Company and the impact on such position of paying the proposed dividend. The Company expects to declare and pay any dividends in US Dollars.

While the Company aims to generate target gross distributions of 2.25 cents per Share per quarter (after costs and payment of fees), the gross distribution targets are targets only and are based over the term of the Company's life on the performance projections of the investment strategy and market conditions at the time of modelling and are therefore subject to change. There can be no assurance that these targets can or will be met and they should not be seen as an indication of the Company's expected or actual results or returns. Accordingly investors should not place any reliance on these targets in deciding whether to invest in the New Shares or assume that the Company will make any distributions at all.

Please see Part X of this Prospectus for details of certain key Assumptions on which the calculation of target gross distributions are based.

Return of capital

At the end of the scheduled terms of the Leases, the Company expects, when the Board considers it is appropriate, to sell the relevant Assets. The net proceeds of any sale of Assets will be returned to Shareholders through an appropriate mechanism determined by the Board at the relevant time. As and when the Company is ultimately wound up, Shareholders will receive any surplus assets of the Company.

While the amount that a sale of any of the Assets would generate is unknown, the Company, as advised by DS Aviation, believes that the Assets represent an opportunity for capital growth for Shareholders. However, the actual price achieved by the Group, and therefore the level of any return to Shareholders, depends on market conditions at the time of sale. If the Directors consider it appropriate to engage a re-marketing agent, the fees of such agent will reduce the net sale proceeds available for distribution to Shareholders.

For illustrative purposes only, and based upon the information available as at the date of this Prospectus and the Assumptions set out in Part X of this Prospectus:

- if the aggregate proceeds from the sale of the Existing Assets at the end of the NAS Leases and from the sale of the New Assets at the end of the Thai Leases were to amount to US\$320.41 million (being the average market value of the two Existing Assets and of the two New Assets at the end of their respective Leases as estimated in December 2014 by three Independent Expert Valuers), this would provide a capital return of US\$1.5239 per Share to Shareholders (in the absence of unforeseen costs and excluding any Liquidity Reserve or Disposal Fee).

Investors should note that there is no guarantee that these sale prices will actually be achieved, nor that such a level of capital return will be generated.

DS Aviation will regularly monitor the valuation of the Assets in the market and consider an appropriate time for the sale of any of the Assets. If DS Aviation considers that a more advantageous price may be obtained through the sale of an Asset prior to the term of its Lease expiring, DS Aviation will consult with the Directors. In the event that the Directors consider recommending an early disposal of one or more of the Assets, the Directors will have regard to, *inter alia*: (i) the economic impact of any such disposal compared against the ongoing dividend yield to investors and the prospective realisable value of the Asset were such Asset not to be the subject of an early disposal and (ii) any Disposal Fee payable to DS Aviation. The Directors shall put any proposed early disposal to Shareholders for their consent by way of an ordinary resolution.

Borrowing powers

In addition to the Loans, the Company may from time to time use borrowings. To this end the Company may arrange an overdraft facility for efficient cash management. The Directors intend to restrict borrowing other than the Loans to an amount not exceeding 15 per cent. of the NAV of the Company at the time of drawdown. Borrowing facilities will only be drawn down with the approval of Directors on a case by case basis. Directors may also draw down on an overdraft facility for extraordinary expenses determined by them, on the advice of DS Aviation, to be necessary to safeguard the overall investment objective. With the exception of the Loans, the Directors have no intention as at the date of this Prospectus to use any borrowings for structural investment purposes.

Hedging transactions and currency risk management

The Existing Borrowers have entered into ISDA-standard hedging arrangements with Norddeutsche Landesbank Girozentrale as hedging provider in connection with the Existing Loans, in order to provide for fixed-rate interest to be payable in respect of the Existing Loans, matching the timing of the scheduled fixed rental payments under the NAS Leases.

The Company does not currently intend to engage in any other hedging arrangements but reserves the right to do so in the future if the Directors consider it appropriate to protect the Company against changes in currency exchange risk, interest rates and other such events. This might be the case if the terms of the Leases (in particular in relation to the structure of Lease Rentals) or Loan Agreements were to be varied.

In particular, the Company does not intend to engage in currency risk hedging, although it reserves the right to do so at the Directors' discretion. The Company has no intention of using a currency hedging facility for the purposes of currency speculation for its own account.

Liquidity Reserve

In accordance with the Company's financial model, in addition to paying dividends to Shareholders, the Company has established a liquidity reserve (the **Liquidity Reserve**). The Liquidity Reserve is accumulated from surplus cashflow from the Leases after payment of the Group's costs and after allowing for proposed dividends. The Liquidity Reserve is intended to fund contingencies and to be available to the Company, in addition to any security deposits paid by Lessees, to aid the Company to meet its Loan Repayments in the event of a default by Lessees and/or to meet costs incurred in connection with a subsequent remarketing of the Assets. In the event of a Loan Event of Default (see Part IX of this Prospectus for further details), the accumulation of surplus Lease Rental by the Company in the Liquidity Reserve will be suspended. In the event of a re-lease of the Assets, the Company may maintain and/or accumulate a Liquidity Reserve in an

amount which is considered appropriate by the Directors, having regard to the available security deposits and the other circumstances applicable at such time. Any unused Liquidity Reserve ultimately will be available for distribution to Shareholders following the disposal of the Assets, payment of any Disposal Fees and after the respective Loan and other related obligations (such as remarketing costs and expenses including costs of a remarketing agent, storage, insurance and maintenance of the aircraft and related legal costs in relation to, for example, the sale documentation, accrued interest, fees and other amounts payable to the relevant finance parties and any costs relating to the breaking of any hedging arrangements and, in a default scenario, enforcement costs of the relevant Lenders) have been satisfied.

As at 4 June 2015, the monies held within the Liquidity Reserve amounted to US\$2,836,102.73.

Further issues of Shares

There are no provisions of Guernsey law which confer rights of pre-emption in respect of the issue of additional Shares. If the Company were to issue additional Shares, such issue might be on a non pre-emptive basis and might dilute the shareholdings of the existing Shareholders. No additional Shares will be issued at a price below prevailing NAV per Share without Shareholders' consent.

Liquidity Proposal

Although the Company does not have a fixed life, the Articles, as amended by a special resolution passed on 18 May 2015, require that the Directors convene a Liquidity Proposal Meeting to be held no later than 30 June 2026 at which a Liquidity Proposal in the form of an ordinary resolution will be put forward proposing that the Company should proceed to an orderly wind-up at the end of the term of the Thai Leases. In the event the Liquidity Proposal is not passed, the Directors will consider alternatives for the Company and shall propose such alternatives at a general meeting of the Shareholders, including re-leasing any remaining Assets, or selling such Assets and reinvesting the capital received from their sale in other aircraft.

Reports and accounts

The Company's accounting period ends on 31 December in each year. The audited annual accounts are sent to Shareholders within four months of the year-end to which they relate. Unaudited half yearly reports, made up to 30 June in each year, are announced within two months of that date. The Company also produces a quarterly update for Shareholders. The Company reports its results of operations and financial position in US Dollars.

The audited annual accounts and half yearly reports are also available at the registered office of the Company and from the Company's website, www.dpaircraft.com.

The financial statements of the Company are prepared in accordance with IFRS, and the annual accounts are audited by KPMG using auditing standards in accordance with International Standards on Auditing (UK and Ireland). The Company's financial statements which are the responsibility of the Board, consist of a statement of comprehensive income, statement of financial position, statement of cash flows and statement of changes in equity, related notes and any additional information that the Board deems appropriate or that is required by Applicable Law.

The preparation of financial statements in conformity with IFRS requires that the Directors make estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Such estimates and associated assumptions are generally based on historical experience and various other factors that are believed to be reasonable under the circumstances, and form the basis of making judgements about attributing values of assets and liabilities that are not readily apparent from other sources. Actual results may vary from estimates in amounts that may be material to the financial statements.

Net Asset Value

Calculation of Net Asset Value

The Company calculates its audited NAV (including and excluding swap liabilities) annually as at the end of each financial year, given the nature of the Assets and its unaudited NAV as at each half-year end.

The NAV is calculated by the Administrator (following consultation with the Directors and DS Aviation). The Company depreciates the Assets on a straight line basis over the estimated useful life of the Assets and taking into consideration the estimated residual value. In making a judgement regarding these estimates the Directors consider previous sales of similar aircraft and other available aviation information. The useful life of an Asset is estimated based on the expected period for which the Company will own and lease the aircraft.

The audited NAV is published in the Company's annual report and accounts, with the interim reports, including an unaudited NAV as at 30 June of the relevant year. The Company may also, at its discretion, arrange for additional valuations to be carried out from time to time if market conditions warrant. The NAV of the Company will be determined in accordance with IFRS.

The Directors do not envisage any circumstances in which valuations will be suspended.

Independent valuation

The Company will engage three Independent Expert Valuers each year to provide a valuation of the Assets and will take into account the average of the three valuations provided. The Company expects that, in performing their valuation, the Independent Expert Valuers will have regard to factors such as the condition of the Assets, the prevailing market conditions (which may impact on the resale value of the Assets), the Leases (including the scheduled rental payments and remaining scheduled term of the Leases) and the creditworthiness of the relevant Lessees. Accordingly, any early termination of the Leases may impact on the valuation of the Assets.

The above list of factors to be taken into account in the valuation is illustrative only and is not intended to be exhaustive or binding on the Company or any Independent Expert Valuers.

PART II

DIRECTORS, MANAGEMENT AND ADMINISTRATION

Directors

The Directors, whose details are set out below, are responsible for managing the business affairs of the Company in accordance with the Articles of Incorporation and have overall responsibility for the Company's activities, including portfolio and risk management. The Directors may delegate certain functions to other parties such as DS Aviation, the Administrator and the Registrar.

The address of the Directors is the registered office of the Company. Each of the Directors is a non-executive director and is independent of the Asset Manager and the Placing Agent.

The Directors of the Company are as follows:

Jonathan Bridel, aged 50, *Non-Executive Chairman*

Jon is currently a non-executive chairman or director of various listed and unlisted investment funds and is resident in Guernsey. Listings of funds in respect of which Jon is a director include listings on the premium segment of the London Stock Exchange. He was until 2011 managing director of Royal Bank of Canada's investment businesses in Guernsey and Jersey. This role had a strong focus on corporate governance, oversight, regulatory and technical matters and risk management. Jon worked with Price Waterhouse Corporate Finance in London and subsequently served in a number of senior management positions in Australia and Guernsey in corporate and offshore banking and specialised in credit. He was also chief financial officer of two private multi-national businesses, one of which raised private equity. He is a Chartered Accountant and holds an MBA from Durham University and qualifications from the Institute of Chartered Accountants in England and Wales (where he is a fellow) and the Australian Institute of Company Directors. Jon is a chartered marketer and a member of the Chartered Institute of Marketing, the Institute of Directors and is a chartered fellow of the Chartered Institute for Securities and Investment.

Didier Benaroya, aged 65, *Non-Executive Director*

Having previously worked as the founder and senior partner of the Transportation Group and the managing director of Paine Webber, Didier has extensive experience in the transportation industry. He is currently resident in the UK and is the founder and a director of Numera Limited and Numera Services Limited, which has advised investors, lessors, banks, operating lease companies and airlines on aircraft and airline related transactions (including leasing, financing and restructuring) since 1995. Didier holds a BS in Economics, an MS in Mathematics and Applied Computer Science from the University of Paris, and an MBA from Northwestern University's Kellogg School of Management.

Jeremy Thompson, aged 59, *Non-Executive Director*

Jeremy is a Guernsey resident with sector experience in finance, telecoms, aerospace & defence and oil & gas. Since 2009 Jeremy has been a consultant to a number of businesses which includes non-executive directorships of investment vehicles relating to the BT pension scheme. He is also a non-executive director of two private equity funds and of a London listed oil and gas technology fund. Between 2005 and 2009 he was a director of multiple businesses within a private equity group. This entailed an active participation on both private, listed and SPV companies. Prior to that he was chief executive officer of four autonomous businesses within Cable & Wireless PLC (operating in both regulated and unregulated markets), and earlier held MD roles within the Dowty Group. Jeremy currently serves as chairman of the States of Guernsey Renewable Energy Team and is a commissioner within the Alderney Gambling Control Commission and is also a member of the Guernsey Tax Tribunal panel. Jeremy attended Brunel University and was awarded an MBA from Cranfield University. He was an invited member to the UK's senior defence course (RCDS). Jeremy has been awarded the Institute of Directors' Certificate and Diploma in Company Direction.

No Investment Manager

The Company has no external investment manager. The Directors are responsible for making decisions relating to the Company and its assets.

Asset Manager

DS Aviation has been appointed by the Company to provide asset management services to the Company.

Pursuant to the Asset Management Agreement, DS Aviation: (a) maintains ongoing communication with the Lessees, the financing parties, and the airframe and engine manufacturers and provides the Company with reports in relation thereto, (b) undertakes regular inspections of the Assets, (c) monitors the Lessees' performance of all the obligations specified in the relevant Lease (in particular, obligations as regards the insurance of the Assets) and provides information and advice in the event of default, (d) supports the Company in any sale or re-leasing activity in respect of the Assets and (e) provides input into the Company's reports, announcements and shareholder communications. DS Aviation may, with the consent of the Directors, sub-delegate or sub-contract all or part of its obligations and responsibilities under the Asset Management Agreement.

DS Aviation has undertaken that it will dedicate such time and attention to the performance of its duties as shall properly be required to discharge them. Further details relating to the Asset Management Agreement are set out in paragraph 8 of Part XIII of this Prospectus.

DS Aviation is a German limited partnership. DS Aviation's registered office is situated at Stockholmer Allee 53, 44269 Dortmund, Germany. DS Aviation is a limited partnership with DS Aviation Management GmbH and Dr. Peters being its general and limited partners respectively. DS Aviation is indirectly wholly-owned by JS Holding. The Asset Manager is not a regulated investment manager.

Christian Maily of DS Aviation is a member of ISTAT, the International Society of Transport Aircraft Trading.

Dr. Peters has been developing, placing and managing closed-ended funds for nearly 40 years and is among the longest running and largest owner-operated initiators of closed-ended funds in Germany. Dr. Peters is a leading provider of products and services for investors in the fields of aviation, shipping and real estate.

One of the firm's core competencies is its asset management expertise, which is an integrated part of all Dr. Peters' transactions and a cornerstone of the business. DS Aviation is responsible for the sourcing and structuring and commercial and technical management of aviation investments made by funds initiated by Dr. Peters.

The DS Aviation team has a long track record of offering investment opportunities with positive long-term performance. Altogether the aviation team has more than 40 years' experience in the aviation industry.

Dr. Peters started to build up its aviation team in 2007 and established DS Aviation in 2008. The team has worked on a wide range of leasing transactions involving different aircraft types and with numerous airlines including Air France, Singapore Airlines, Emirates and Virgin America. The team has concluded 15 separate aircraft transactions (17 aircraft in total) including sale and operating lease backs and acquisitions with leases attached.

In 2014, DS Aviation formed a joint venture company with a UK-based aircraft lessor, marketing and management organisation Skytech-AIC. The company, DS Skytech Limited, provides technical management services in respect of the portfolio of aircraft owned or managed by DS Aviation and Skytech-AIC. DS Skytech Limited is designed to enhance in-house asset management capabilities and will facilitate the expected expansion of the combined portfolio which currently numbers 25 aircraft, including types ranging from Bombardier Q400s through Airbus A319s and Airbus A380s to Boeing 787s and Boeing 777s.

Awards

Dr. Peters and DS Aviation have received various aviation awards, including:

"Cash Financial Advisors Award 2012" in the closed-end funds category;

"Fonds Media Aviation Award 2010" in the aviation category; and

"Scope Award 2008" in the aircraft closed-ended fund category.

Additionally, the rating agency Feri EuroRating recognised Dr. Peters as Best Initiator in the aviation category in 2011.

Aircraft portfolio

The aircraft portfolio currently managed by Dr. Peters is valued at over US\$3.05 billion (based on initial investment volume) and consists of 17 aircraft. These aircraft include commercial jet airliners ranging from Airbus A319, through the Boeing 787 and 777 family, up to the Airbus A380.

Administrator

Dexion has been appointed as administrator of the Company pursuant to the Administration Agreement (further details of which are set out in paragraph 8 of Part XIII of this Prospectus). The Administrator is responsible for the Company's general administrative functions such as the calculation of the Net Asset Value and maintenance of the Company's accounting and statutory records. The Administrator may, with the consent of the Directors, delegate the provision of administrative functions and other services to a third party but will remain liable for the acts of any such third party and will be responsible for their remuneration.

The Administration Agreement may be terminated by either party on not less than 90 days' notice. Investors should note that it is not possible for the Administrator to provide any investment advice to investors. A copy of the Leases will be held by the Administrator.

Fees and expenses

Placing Expenses

The Company does not expect placing expenses to exceed 2.19 per cent. of the Placing Proceeds.

These expenses will be paid on or around Admission and will include placing commission payable under the Placing Agreement, registration, listing and admission fees, settlement and escrow arrangements, printing, advertising and distribution costs, legal fees and any other applicable expenses. All such expenses will be immediately written off.

Swaption premium

The Company agreed to purchase an interest rate swaption (the "**Swaption**") from JS Holding which was intended to enable the Company to pre-fix the interest rate on the New Loans (or to enter into back-to-back payment arrangements in respect of that Swaption) at an interest rate of 2.5 per cent. However, in light of the direction of interest rates movements since the date of the Swaption and projected interest rate movements as at the date of this document, it became unlikely that the Swaption would have been utilised. In any event the Swaption expired on 29 May 2015. In consideration of the benefit of the Swaption having been made available to the Group, the Company has agreed to reimburse the premium of US\$974,000 paid by JS Holding upon its original acquisition of the Swaption subject to completion of the Acquisition. This cost is included within the overall costs of the Acquisition.

Ongoing Expenses

The Company also incurs ongoing expenses. These expenses will include the following:

(i) *Arrangement Fee*

The Asset Manager and Canaccord Genuity are also entitled to receive their respective shares of the Arrangement Fee.

(ii) *Asset Manager*

The Company pays DS Aviation a management and advisory fee of US\$250,000 per annum per Existing Asset (inflating annually at 2.5 per cent. per annum), payable monthly in arrears commencing from the acquisition of each Existing Asset. The Asset Management Agreement has been amended to provide for an additional management and advisory fee of US\$200,000 per annum per New Asset (inflating annually at 2.5 per cent. per annum).

The Asset Management Agreement currently provides for a Disposal Fee to be payable by the Company to DS Aviation upon the sale of each Asset, such fee being calculated as a percentage of the price at which the relevant Asset is sold. That percentage varies depending upon the level of the total return per Share attributable to the relevant Asset (expressed as a percentage of the IPO Issue

Price), being nil if the total return per Share attributable to the Asset is less than 200 per cent.; 1.5 per cent. if the total return per Share equals or exceeds 200 per cent. but is less than 250 per cent.; 2.0 per cent. if the total return per Share equals or exceeds 250 per cent. but is less than 300 per cent.; or 3.0 per cent. if the total return per Share equals or exceeds 300 per cent.

The Asset Management Agreement has been amended to provide a new calculation methodology for the Disposal Fee which will apply upon the acquisition of the New Assets. Under the new methodology, a Disposal Fee will only become payable at the point at which all four of the Assets have been sold after expiry of the Fourth Thai Lease in December 2026. The fee will be calculated as a percentage of the aggregate net sale proceeds of the four Assets, such percentage rate depending upon the Initial Investor Total Asset Return per Share. If each of the Existing Assets and New Assets are sold subsequent to the expiry of their respective Leases, the percentage rate shall be nil if the Initial Investor Total Asset Return per Share is less than 205 per cent.; 1.5 per cent. if the Initial Investor Total Asset Return per Share equals or exceeds 205 per cent. but is less than 255 per cent.; 2.0 per cent. if the Initial Investor Total Asset Return per Share equals or exceeds 255 per cent. but is less than 305 per cent.; or 3.0 per cent. if the Initial Investor Total Asset Return per Share equals or exceeds 305 per cent.

In the event that any Asset is sold prior to the expiry of its Lease, the percentage hurdles set out above will be adjusted on the following basis:

- (i) an amount will be deducted, in respect of each Asset sold prior to the expiry of its Lease, equal to the net present value of the aggregate amount of dividends per Share that were targeted to be paid but were not paid as a result of the early divestment of the relevant Asset; and
- (ii) a further amount will be deducted, in respect of each Asset sold prior to the expiry of its Lease, equal to the amount by which the proportion of the non-dividend component of the relevant percentage hurdle attributable to the relevant Asset would need to be reduced in order to meet its net present value,

in each case the net present value being calculated at the point of sale of the relevant Asset and by reference to a discount rate representing 2.0 per cent. over the prevailing rate of the most relevant US Treasury (or such other discount rate as the parties may agree to as being the most appropriate at the time).

In the event of any dispute between the Company and the Asset Manager as to the calculation of the Disposal Fee, such dispute may be referred by either party in writing to the Company's auditors for their determination; and such determination will be final and binding on both the Company and the Asset Manager.

In this section:

"Initial Investor Total Asset Return per Share" means the aggregate of all dividends and other distributions paid out in respect of a Share issued at IPO, expressed as a percentage of the IPO Issue Price. The total asset return amount will also take into account any remaining monies held by the Company and yet to be paid out to Shareholders, and before the payment of any Disposal Fee to the Asset Manager, if applicable. This calculation will be performed within one month of the date of disposal of the final Asset; and any accumulated interest on funds which have not been distributed after this period will not be included in the Initial Investor Total Asset Return calculation (but will nevertheless be returned to Shareholders). In the event of a bonus issue, rights issue, share consolidation or other reorganisation of the Company's share capital, the calculation of the Initial Investor Total Asset Return per Share will be adjusted commensurately, such adjustment to be determined by the Company's auditors, whose determination on the matter will be final and binding on the Company and the Asset Manager.

(iii) *Administration*

The Administrator is entitled to a secretarial fee of £25,000 per annum in respect of (a) quarterly Board meetings which take place in Guernsey; (b) meetings of the Company's Audit Committee; and (c) an annual general meeting each year. The Administrator will also receive an additional £1,640 for each ad hoc Board meeting held and a further £1,640 for each board meeting of each wholly-owned subsidiary that the Company incorporates (other than the Lessors); and a financial reporting fee for the Company on a group consolidated basis in respect of the preparation and approval of audited annual reports, half year reports and quarterly updates, in the amount of £16,000 per annum. The Administrator

received an initial set up fee of £1,000 in respect of the first set of accounts. In addition to the above remuneration the Administrator is also entitled to an administration fee in the minimum amount of £1,250 per month and such other remuneration as shall be agreed between the Administrator and the Board from time to time (including activity fees as previously agreed with the Company or time cost charges which shall be levied by the Administrator for any other matter not already included under the Administration Agreement).

(iv) *Registrar*

The Registrar is entitled to an annual basic registration fee from the Company equal to £1.35 per Shareholder appearing on the register during that year, with a minimum charge per annum of £6,000. Other registrar activity will be charged for in accordance with the Registrar's normal tariff as listed in the Registrar Agreement.

(v) *Directors*

The non-executive Directors are remunerated for their services at a fee for each Director of £20,000 per annum (£25,000 for the Chairman) in relation to the Company. With effect from 1 July 2015 or, if earlier, the date of acquisition of the New Assets, these fees will be increased to £22,500 for Jeremy Thompson (as Chairman of the Audit Committee) and £27,500 for Jon Bridel (as Chairman). Didier Benaroya will continue to receive a fee of £20,000 per annum. In addition to the fees relating to the Company, the Directors currently receive a fee of £5,000 per annum for acting as director of each of the Existing Borrowers and will receive a further fee of £5,000 per annum for acting as director in respect of each of the New Borrowers. The two Ireland-based directors of the Existing Lessor receive a fee of €6,000 in aggregate per annum. Didier Benaroya receives a £10,000 fee per annum in respect of his appointment as a director of the Existing Lessor and will receive an additional fee of £10,000 per annum for acting as director of the New Lessor. Two other directors will be appointed to the board of the New Lessor and will receive a fee of £2,500 each per annum.

(vi) *Other Operational Expenses*

Other ongoing operational expenses (excluding fees paid to service providers as detailed above) of the Group are borne by the Company including travel, accommodation, printing, D&O insurance, audit and legal fees and the fees of any Independent Expert Valuer (estimated at US\$5,000 per Asset per year). All out of pocket expenses of DS Aviation, the Administrator, the Registrar, the CREST Agent and the Directors relating to the Group are borne by the Company. These expenses (including the fee paid to the Asset Manager) will be deducted from the assets of the Company and are estimated to be not greater than US\$1.55 million for the twelve month period ending 31 December 2015.

Taxation

Information concerning the tax status of the Company is contained in paragraph 6 of Part XIII of this Prospectus. If any potential investor is in any doubt about the taxation consequences of acquiring, holding or disposing of New Shares, he should seek advice from his own independent professional adviser.

Meetings and reports to Shareholders

The Company's audited annual report and accounts are prepared to 31 December each year, and it is expected that copies will be sent to Shareholders in April of the following year, or earlier if possible. Shareholders also receive an unaudited interim report each year in respect of the period to 30 June, expected to be dispatched in August each year, or earlier if possible. The Company's audited annual report and accounts are available on the Company's website, www.dpaircraft.com.

The audited annual report and accounts and unaudited interim reports will contain the information required to be disclosed by the FCA Rules made in respect of the AIFM Regulations.

Conflicts of interest

DS Aviation and its affiliates may be involved in other financial, investment or professional activities that may on occasion give rise to conflicts of interest with the Company's interests. DS Aviation is obligated to resolve such conflicts in a fair and equitable manner. On each occasion that a potential conflict of interest arises, the Asset Manager will be required to bring such conflict to the attention of the Board and to work with the

Board to resolve them in a fair and equitable manner. Any decision regarding the resolution of the conflict, whether relating directly to the Assets or otherwise, will require the approval of the Board or a Board committee.

Corporate governance

The Company is not required to comply with any particular corporate governance codes in the UK or Guernsey (since it is not authorised or regulated by the FCA or the GFSC) but the Directors take corporate governance seriously and have regard to relevant corporate governance standards in determining the Company's governance policies including without limitation in relation to corporate reporting, risk management and internal control procedures.

The Directors intend to comply, and ensure that the Company complies, with any obligations under the Companies Laws and the Articles to treat Shareholders fairly as between themselves.

Directors' share dealings

The Board has adopted and implemented the Model Code for directors' dealings contained in the Listing Rules of the FCA (the **Model Code**). The Board is responsible for taking all proper and reasonable steps to ensure compliance with the Model Code by the Board.

PART III

PLACING ARRANGEMENTS

The Company will issue 96,333,333 New Shares through a placing to be undertaken by Canaccord Genuity as agent for the Company at a price of 105.89 cents per New Share.

Allocations of New Shares pursuant to the Placing will be determined at the discretion of Canaccord Genuity (in consultation with the Company and the Asset Manager).

The Placing is being made in order to raise funds for the purpose of achieving the investment objective of the Company as described in Part I of this Prospectus and, in particular, to acquire the New Assets under the Thai Sale Agreements.

The Company, the Asset Manager, JS Holding (the Asset Manager's parent company) and Canaccord Genuity have entered into the Placing Agreement, pursuant to which Canaccord Genuity has agreed, subject to certain conditions, to use its reasonable endeavours to procure subscribers for the New Shares. The Placing is not being underwritten.

The Placing is conditional upon, *inter alia*;

- (a) the execution of the Principal Documents;
- (b) Admission occurring; and
- (c) the Placing Agreement having become unconditional in all respects and not having been terminated in accordance with its terms before Admission.

If any of these conditions is not met, the Placing will not proceed. The Company will not proceed with the Placing if the Placing Proceeds are less than the Placing Amount. If the Placing does not proceed, subscription monies received will be returned without interest at the risk of the applicant.

Further details of the terms of the Placing Agreement, including the fees payable to Canaccord Genuity, are detailed in paragraph 8 of Part XIII of this Prospectus.

Applicants under the Placing who confirm their agreement to Canaccord Genuity to purchase New Shares under the Placing will be bound by the terms and conditions of the Placing, which are set out in Part XIV of this Prospectus. These terms and conditions should be read carefully before a commitment is made.

General

Subject to those matters upon which the Placing is conditional, the Board, with the consent of Canaccord Genuity, may bring forward or postpone the closing date for the Placing.

The Placing Agent will notify investors of the number of New Shares allocated to them, and the results of the Placing will be announced by the Company on or around 10 June 2015 (as such date may be amended) via an RIS announcement.

New Shares will be issued in registered form and may be held in certificated or uncertificated form and settled through CREST from Admission. CREST accounts will be credited on the date of Admission and it is expected that, where Shareholders have requested them, certificates in respect of the New Shares to be held in certificated form will be dispatched during the week commencing 15 June 2015. Pending receipt by Shareholders of definitive share certificates, if issued, the Registrar will certify any instruments of transfer against the register of members.

To the extent that any application under the Placing is rejected in whole or in part, or the Board determines in its absolute discretion that the Placing should not proceed, monies received will be returned to each relevant applicant at its risk and without interest.

The Placing Proceeds will be used to finance the acquisition of the New Assets and associated expenses. Any balance remaining after completing the acquisition of the New Assets will be used to meet general working capital requirements and/or to supplement the Liquidity Reserve.

The International Security Identification Number for the New Shares is GG00BBP6HP33 and the SEDOL is BBP6HP3.

Subject to their statutory right of withdrawal pursuant to section 87(Q)(4) of FSMA, in the event of the publication of a supplementary prospectus, applicants may not withdraw their applications for New Shares.

Applicants wishing to exercise their statutory right of withdrawal pursuant to section 87(Q)(4) of FSMA after the publication by the Company of a prospectus supplementing this prospectus must do so by lodging a written notice of withdrawal (which shall include a notice sent by any form of electronic communication) which must include the full name and address of the person wishing to exercise statutory withdrawal rights and, if such person is a CREST member, the Participant ID and the Member Account ID of such CREST Member with Capita Registrars (Guernsey) Limited, by post or by hand (during normal business hours only) to Mont Crevelt House, Bulwer Avenue, St Sampson, Guernsey GY2 4LH, Channel Islands or by email to withdraw@capitaregistrars.com so as to be received not later than two Business Days after the date on which the supplementary prospectus is published. Notice of withdrawal given by any other means or which is deposited with or received by Capita Registrars (Guernsey) Limited after expiry of such period will not constitute a valid withdrawal, provided that the Company will not permit the exercise of withdrawal rights after payment by the relevant applicant of his subscription in full and the allotment of New Shares to such applicant becoming unconditional. In such event Shareholders are recommended to seek independent legal advice.

Basis of allocation

The basis of allocation of New Shares shall be determined by Canaccord Genuity (following consultation with the Company and the Asset Manager).

If commitments under the Placing exceed the maximum number of New Shares available, Canaccord Genuity will scale back subscriptions at its discretion (following consultation with the Company and the Asset Manager).

Overseas investors

The attention of persons resident outside the UK is drawn to the notices to investors set out on pages 32 to 34 of this Prospectus which set out restrictions on the holding of New Shares by such persons in certain jurisdictions.

New Shares offered by this Prospectus have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, in or into the United States or any U.S. person (within the meaning of Regulation S under the U.S. Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

CREST

CREST is a paperless settlement procedure enabling securities to be transferred from one person's CREST account to another without the need to use share certificates or written instruments of transfer. The Articles permit the holding of the New Shares under the CREST system and the New Shares will be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the New Shares following Admission may take place within the CREST system if any Shareholder so wishes (provided that the New Shares are not in certificated form).

CREST is a voluntary system and, upon the specific request of a Shareholder, the Shares of that Shareholder which are being held under the CREST system may be exchanged, in whole or in part, for share certificates.

If a Shareholder or transferee requests Shares to be issued in certificated form, a share certificate will be despatched either to them or their nominated agent (at their own risk) within 21 days of completion of the registration process or transfer, as the case may be, of the Shares. Shareholders who are non-U.S. Persons holding definitive certificates may elect at a later date to hold their Shares through CREST in uncertificated form provided that they surrender their definitive certificates.

Dealing arrangements

Application will be made for the New Shares to be admitted to trading on the SFM. It is expected that Admission will become effective, and that dealings in the New Shares will commence, at 8.00 a.m. on 12 June 2015.

Settlement

Payment for the New Shares to be acquired under the Placing should be made in accordance with the settlement instructions set out in Part XIV of this Prospectus. To the extent that any application or subscription for New Shares is rejected in whole or part, monies will be returned to the applicant at its risk without interest.

Money laundering

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK and Guernsey, any of the Company and its agents, including the Administrator, the Registrar and Canaccord Genuity, may require evidence in connection with any application for New Shares, including further identification of the applicant(s), before any New Shares are issued.

Each of the Company and its agents, including the Administrator, the Registrar and Canaccord Genuity, reserves the right to request such information as is necessary to verify the identity of a Shareholder or prospective Shareholder and (if any) the underlying beneficial owner or prospective beneficial owner of a Shareholder's Shares. In the event of delay or failure by the Shareholder or prospective Shareholder to produce any information required for verification purposes, the Board, in consultation with any of the Company's agents, including the Administrator, the Registrar and Canaccord Genuity, may refuse to accept a subscription for New Shares, or may refuse the transfer of Shares held by any such Shareholder.

ISA

Shares acquired pursuant to the Placing will not be eligible for inclusion in a stocks and shares ISA. On admission to trading on the SFM, Shares acquired by purchase in the secondary market should be eligible for inclusion in a stocks and shares ISA, subject to applicable subscription limits (£15,240 for the tax year 2015/2016).

UCITS Schemes

The Directors have been advised that the New Shares should qualify as transferable securities for the purposes of the FCA Rules.

United States Purchase and Transfer Restrictions

This document does not constitute, and may not be used for the purposes of, an offer or an invitation to subscribe for New Shares by any U.S. Person or person within the United States, or in any jurisdiction (i) in which such offer or invitation is not authorised, or (ii) in which the person making such offer or invitation is not qualified to do so, or (iii) to any person to whom it is unlawful to make such offer or invitation.

The New Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the New Shares may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. There will be no public offer of the New Shares in the United States.

The New Shares are being offered and sold (i) outside the United States to non-U.S. Persons in reliance on Regulation S under the U.S. Securities Act and (ii) to persons located inside the United States or U.S. Persons reasonably believed to be qualified institutional buyers (**Qualified Institutional Buyers** or **QIBs**) as defined in Rule 144A under the U.S. Securities Act who are also qualified purchasers (**Qualified Purchasers** or **QPs**) as defined in the U.S. Investment Company Act.

In addition, except with the express written consent of the Company given in respect of an investment in the Company, the New Shares may not be acquired by (i) investors using assets of (A) an “employee benefit plan” as defined in Section 3(3) of United States Employee Retirement Income Security Act of 1974, as amended (**ERISA**), that is subject to Title I ERISA; (B) a “plan” as defined in Section 4975 of the United States Internal Revenue Code of 1986, as amended (the **U.S. Tax Code**), including an individual retirement account or other arrangement that is subject to Section 4975 of the U.S. Tax Code; or (C) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the U.S. Tax Code or (ii) a governmental, church, non-U.S. or other employee benefit plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the U.S. Tax Code, unless its purchase, holding, and disposition of the Shares will not constitute or result in a non-exempt violation of any such substantially similar law.

The Company has elected to impose the restrictions described below on the Placing and on the future trading of the New Shares so that the Company will not be required to register the offer and sale of the New Shares under the U.S. Securities Act, so that the Company will not have an obligation to register as an investment company under the U.S. Investment Company Act and related rules and to address certain ERISA, U.S. Tax Code and other considerations. These transfer restrictions, which will remain in effect until the Company determines in its sole discretion to remove them, may adversely affect the ability of holders of the New Shares to trade such securities. The Company and its agents will not be obligated to recognise any resale or other transfer of the New Shares made other than in compliance with the restrictions described below.

Restrictions on investors outside the United States that are not U.S. Persons

Each subscriber of New Shares in the Placing that is outside the United States and is not a U.S. Person (and each subsequent investor in the New Shares) will be deemed to have represented, warranted, agreed and acknowledged as follows:

1. the investor is not a U.S. Person, is not located within the United States and is not acquiring the New Shares for the account or benefit of a U.S. Person;
2. the investor is acquiring the New Shares in an offshore transaction meeting the requirements of Regulation S;
3. the New Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly into or within the United States or to, or for the account or benefit of, U.S. Persons;
4. the Company has not registered under the U.S. Investment Company Act and the Company has put in place restrictions for transactions not involving any public offering in the United States to ensure that the Company is not and will not be required to register under the U.S. Investment Company Act;
5. if in the future the investor decides to offer, sell, transfer, assign or otherwise dispose of the New Shares, it will do so only (i) in an offshore transaction complying with the provisions of Regulation S under the U.S. Securities Act to a person outside the United States and not known by the transferor to be a U.S. Person, by pre-arrangement or otherwise, or (ii) to the Company or a subsidiary thereof;
6. the investor is purchasing the New Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the New Shares in any manner that would violate the U.S. Securities Act, the U.S. Investment Company Act or any other applicable securities laws;
7. no portion of the assets used by such investor to purchase, and no portion of the assets used by such investor to hold, the New Shares or any beneficial interest therein constitutes or will constitute the assets of: (i) an “employee benefit plan” as defined in Section 3(3) of ERISA that is subject to Title I of

ERISA; (ii) a “plan” as defined in Section 4975 of the U.S. Tax Code including an individual retirement account or other arrangement that is subject to Section 4975 of the U.S. Tax Code; or (iii) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the U.S. Tax Code. In addition, if an investor is a governmental, church, non-U.S. or other employee benefit plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the U.S. Tax Code, its purchase, holding, and disposition of the New Shares must not constitute or result in a non-exempt violation of any such substantially similar law;

8. the Company reserves the right to make inquiries of any holder of the New Shares or interests therein at any time as to such person’s status under the federal U.S. securities laws and to require any such person that has not satisfied the Company that holding by such person will not violate or require registration under the U.S. securities laws to transfer such Shares or interests in accordance with the Articles;
9. it is entitled to acquire the New Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the New Shares and it has not taken any action, or omitted to take any action, which may result in the Company, DS Aviation, the Placing Agent, their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with the Placing or its acceptance of participation in the Placing;
10. it has received (outside the United States), carefully read and understands this Prospectus, and it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus (or any part thereof) or any other presentation or offering materials concerning the New Shares to or within the United States or to any U.S. Persons, nor will it do any of the foregoing;
11. (i) at the time the New Shares are acquired, it is not an affiliate of the Company or a person acting on behalf of such an affiliate, and (ii) it is not acquiring the New Shares for the account or benefit of an affiliate of the Company or of a person acting on behalf of such an affiliate;
12. if any New Shares are issued in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect unless otherwise determined by the Company in accordance with Applicable Law:

“DP AIRCRAFT I LIMITED (THE **COMPANY**) HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE **U.S. INVESTMENT COMPANY ACT**). IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **U.S. SECURITIES ACT**), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. ACCORDINGLY, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED, EXERCISED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE U.S. SECURITIES ACT OR AN EXEMPTION THEREFROM AND UNDER CIRCUMSTANCES WHICH WILL NOT REQUIRE THE COMPANY TO REGISTER UNDER THE U.S. INVESTMENT COMPANY ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS”;

provided, that if any New Shares are being sold pursuant to paragraph 5 above, and if the Company is a “Foreign Issuer” within the meaning of Regulation S under the U.S. Securities Act at the time of sale, any such legend may be removed upon delivery to the Company of a certification in such form as is reasonably satisfactory to the Company to establish that such legend is no longer required under the applicable requirements of the U.S. Securities Act, U.S. Investment Company Act or state securities laws; and

13. the Company, DS Aviation, the Placing Agent, their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements. If any of the representations, warranties, acknowledgments or agreements made by the investor are no longer accurate or have not been complied with, the investor will immediately notify the Company and, if it is acquiring any New Shares as a fiduciary or agent for one or more accounts, the investor has sole investment discretion with respect to each such account and it has full power to make such foregoing representations and agreements on behalf of each such account.

PART IV

THE ASSETS

Introduction

Pursuant to the terms of the Thai Sale Agreements, the Company intends (through its wholly-owned subsidiaries, the New Borrowers) to purchase two additional Boeing 787-8 aircraft each equipped with two Rolls Royce Trent 1000G engines. A summary of the specifications of the New Assets and the Existing Assets is included at the end of this Part IV.

The Boeing 787 – the Dreamliner – Technical Specifications

The Boeing 787, also known as the “Dreamliner”, is a twin-engine long-range aircraft which is distinguished by its entirely new aircraft design. The Boeing 787 is a mid-size aircraft which has long-range capabilities and offers airlines one of the most efficient fuel consumptions currently available.

Development of the Boeing 787 was accompanied by a variety of technical innovations. Around 50 per cent. of the primary structure of the Boeing 787, including the fuselage and wings, comprises composite materials (carbon fibre-reinforced plastic) making the Dreamliner the first commercial aircraft whose fuselage is largely made of composites instead of metal. The savings in weight thus achieved have a positive effect on fuel consumption.

The Boeing 787 also incorporates newly-developed engines: the Rolls Royce Trent 1000 (with which the Assets are fitted) and the General Electric GEnx. Both engines have a uniform interface at the aircraft enabling easy changes of the engine type for airlines.

As a result of these newly-developed engines, lower aircraft weight and improved aerodynamics, fuel consumption is around 20 per cent. lower than for current aircraft of comparable size. Air pollution caused by the aircraft is also reduced accordingly.

Passenger comfort is increased by a range of new innovations: sensors that cause certain control surfaces to make slight modifications to counter the effects of turbulence, thereby reducing the risk of travel sickness; and windows which are 30 per cent. larger than in any other aircraft of this class and can be darkened individually and electrically. At 15 per cent., humidity in the cabin is three times higher than a conventional jet aircraft which helps to prevent passenger dehydration. The Boeing 787 operates with a higher cabin pressure giving passengers the feeling of being at 6,000 feet above sea level rather than the 8,000 feet for other airliners. The Boeing 787's noise footprint is as much as 60 per cent. smaller than today's comparable aircraft.

One cost advantage for airlines operating the Boeing 787 is represented by savings on maintenance costs. Compared to the Boeing 767, maintenance costs are around 30 per cent. lower across the aircraft's entire service life. The Boeing 787 can therefore be deployed and flown for 52 more days within a period of 12 years than the Boeing 767, due to longer intervals between the requisite aircraft checks.

Production history

The first Boeing 787 was presented to the public on 8 July 2007. Within the framework of the so-called “roll-out”, the Boeing 787 was first produced in the Boeing manufacturing halls in Everett, USA. Its maiden flight took place on 15 December 2009.

After various production problems (complex co-ordination with suppliers and a strike by mechanics had delayed delivery by around 3 years) the first Boeing 787-8 was delivered to All Nippon Airways on 25 September 2011.

Manufacture and Assembly

A Boeing 787 comprises approximately 2.3 million components. Parts and individual components are manufactured throughout the world by 50 suppliers and delivered to Boeing.

Bigger sections, parts and components are delivered to Boeing's final assembly line in its plants in Everett and North Charleston, USA by the Boeing 747 LCF, which was specifically designed for this purpose.

Market segment

The international aircraft fleet can be classified into various segments. Primarily, a distinction is made by reference to purpose, i.e. cargo or passenger aircraft. Passenger aircraft are usually classified using their range (short, medium or long range aircraft), the number of aisles as a function of their body width ("narrowbody" with one aisle, or "widebody" with two aisles), and passenger capacity.

The Boeing 787-8 is a long-range, mid-size widebody, twin-engine jet airliner.

The Boeing 787 product range

The Boeing 787-8 is the basic model and has the second largest order book with 473 orders to date, of which 162 aircraft are or will be fitted with Rolls Royce engines and 255 with General Electric engines. Engines have yet to be selected for the remaining orders.

Both the Existing Assets and the New Assets are fitted with Rolls Royce engines.

The Boeing 787-8 typically seats 242 passengers in a three-class configuration. Both the Existing Assets and the New Assets are equipped with a two-class configuration. The Existing Assets in the Norwegian high density configuration have 291 seats, of which 259 are in Economy class and 32 in Premium class offering slightly more legroom. The New Assets in the Thai Airways configuration have a capacity of 264 passengers (24 business class and 240 economy class).

The Boeing 787-9 is an approximately 6 metre longer version of the Boeing 787-8. With 280 seats in the standard configuration, it has larger passenger capacity than the 787-8. Its range of 15,372 km is approximately 870 km further than that of the 787-8.

Furthermore, there is another stretched version, the Boeing 787-10, to be produced before the end of the decade which will offer an even higher seat capacity with 323 seats in the standard configuration. With a range of approximately 13,000 km, it will be able to serve 90 per cent. of the world's twin-aisle routes.

Orders

From the launch of the 787 range until the first official presentation of the aircraft in July 2007, a total of 677 aircraft were ordered, representing more orders over this period than for any other twin-aisle aircraft at any time.

As at the end of April 2015, a total of 1,104 orders had been placed by 59 different customers for the Boeing 787, of which 473 were orders for the Boeing 787-8. The list of customers comprises airlines from 42 countries around the world. The huge and prominent customer base is evidence of the Boeing 787's worldwide popularity.

As at the end of April 2015, a total of 246 Boeing 787-8 had been delivered to 28 customers.

List of the top 5 customers as at 30 April 2015

	787-8 Orders	787-9 Orders	787-10 Orders	Total
All Nippon Airways	36	44	3	83
AerCap	26	48	0	74
Etihad Airways	0	41	30	71
United Airlines	12	16	27	55
ALC	0	15	30	45
Japan Airlines	25	20	0	45

Outlook

The Boeing 787 is a very versatile aircraft which can be used on both classic long-haul routes and on new, high-demand international direct routes. The main competitor to the Boeing 787-family is the Airbus A350-family (first delivery December 2014), having a slightly higher seat capacity ranging from 276-369 passengers in a two class configuration (depending on the model) but a similar range.

Both types are part of the attractive market for small and mid-size wide-body aircraft with a large customer base and huge replacement potential (B767, A330), but it is important to notice that the B787 is currently clearly taking the lead in orders. As at 30 April 2015, Boeing had 1,104 orders for the B787 model, whereas Airbus had attracted 780 orders for the A350.

The fact that Boeing's production is fully sold out until 2019 further indicates that the B787 is in high demand. A large number of airlines around the world are already operating Boeing 787-8 aircraft. This favourable liquidity combined with the geographical diversification of operators should contribute to a very receptive new-build and secondary market.

Residual Value

The residual value of each of the Assets at the end of the respective Leases in 2025 (the Existing Assets) and 2026 (the New Assets) cannot be stated with any certainty, as that value will depend upon a variety of factors including actual or anticipated fluctuations in the results of the airline industry, market perception of the airline industry, general economic, social and political development, changes in industry conditions, fuel prices and rates of inflation. For indicative purposes only and to better demonstrate the sensitivities inherent in the product (as to which see further details in Part X of this Prospectus), the Company, via the Asset Manager, has obtained valuation appraisals for the Assets from three Independent Expert Valuers (all certified by ISTAT).

The independent valuations of the Existing Assets (i) take into account an economic full-life condition at the expiry of the NAS Leases in 2025, (ii) assume an annual inflation rate of 2.0 per cent. and (iii) value the Existing Assets as at the expiry of the Leases in 2025 (no lease attached). The mean average of these valuations, which were provided in December 2014, was US\$ 80.04 million per Existing Asset.

The independent valuations of the New Assets (i) take into account an economic full-life condition at the expiry of the New Leases in 2026, (ii) assume an annual inflation rate of 2.0 per cent. and (iii) value the New Assets as at the expiry of the New Leases in 2026 (no lease attached). The mean average of these valuations, which were provided in December 2014, was US\$ 80.1 million per New Asset.

Summary of Specifications of the First Asset and the Second Asset

The First Asset

Manufacturer: The Boeing Company

Model: Boeing 787-8

Manufacturer's Serial Number: 35304

Registration: EI-LNA

Delivery Date: 28 June 2013

Engines

Manufacturer: Rolls-Royce plc

Model: Trent 1000-G, 2 x 1000G rated at 72,066 lbf thrust

Auxiliary Power Unit

Manufacturer: Hamilton Sundstrand

The Second Asset

Manufacturer: The Boeing Company

Model: Boeing 787-8

Manufacturer's Serial Number: 35305

Registration: EI-LNB

Delivery Date: 23 August 2013

Engines

Manufacturer: Rolls-Royce plc

Model: Trent 1000-G, 2 x 1000G rated at 72,066 lbf thrust

Auxiliary Power Unit

Manufacturer: Hamilton Sundstrand

Model: APS5000A

Weights

Maximum Take-Off Weight: 227,930 kg

Maximum Landing Weight: 172,365 kg

Maximum Zero Fuel Weight: 161,025 kg

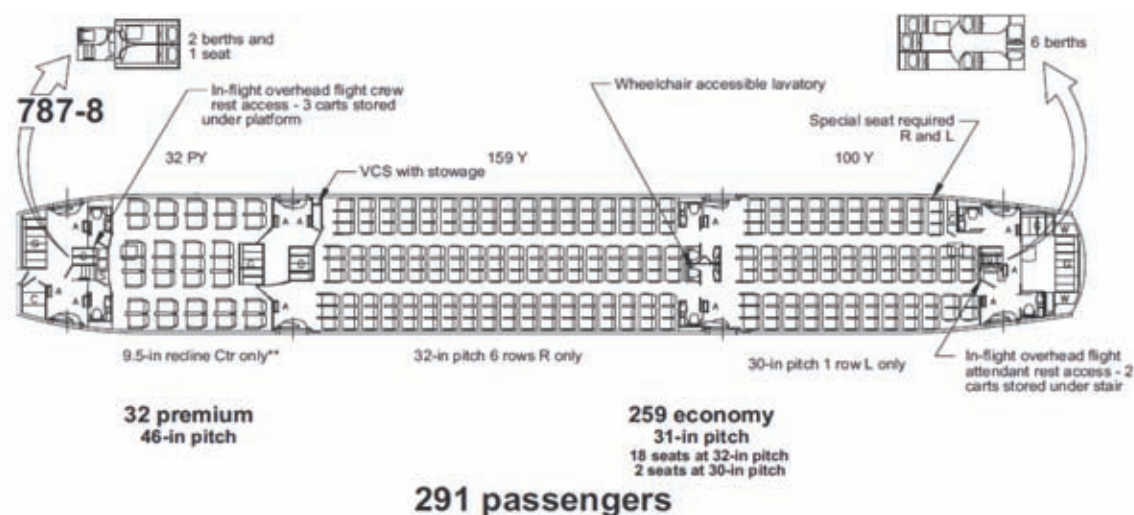
Fuel Capacity

33,340 (US gal) useable fuel

Layout Of Passenger Accommodation

See Diagram below

Layout Of Passenger Information



	Class (%)	Carts (qty)	Cart ratio (cart/pass)	Non-cart galley volume (cu ft)	Lavatory ratio (pass/lav)	Closet ratio (rod in/pass)	Attendant ratio (pass/attd)
Premium	11.00	9.0*	0.281	73.5	16	2.25	-
Economy	89.00	23.0*	0.089	338.0	43	0.11	-
Total	-	32.0*	0.110	411.5	-	-	26

Summary of Specifications of the Third Asset and the Fourth Asset

The Third Asset

Manufacturer: The Boeing Company

Model: Boeing 787-8

Manufacturer's Serial Number: 36110

Registration: HS-TQC

Delivery Date: 9 December 2014

Engines

Manufacturer: Rolls-Royce plc

Model: Trent 1000-AE, 2 x 1000G rated at 63,800 lbs thrust

The Fourth Asset

Manufacturer: The Boeing Company

Model: Boeing 787-8

Manufacturer's Serial Number: 35320

Registration: HS-TQD

Delivery Date: 29 October 2014

Engines

Manufacturer: Rolls-Royce plc

Model: Trent 1000-AE, 2 x 1000G rated at 63,800 lbs thrust

Auxiliary Power Unit

Manufacturer: Hamilton Sundstrand

Model: APS5000A

Weights

Maximum Take-Off Weight: 227,930 kg

Maximum Landing Weight: 172,365 kg

Maximum Zero Fuel Weight: 161,025 kg

Fuel Capacity

33,340 (US gal) useable fuel

Layout Of Passenger Accommodation

See Diagram below

Auxiliary Power Unit

Manufacturer: Hamilton Sundstrand

Model: APS5000A

Weights

Maximum Take-Off Weight: 227,930 kg

Maximum Landing Weight: 172,365 kg

Maximum Zero Fuel Weight: 161,025 kg

Fuel Capacity

33,340 (US gal) useable fuel

Layout Of Passenger Accommodation

See Diagram below

[illegible]

240 ECONOMY CLASS @ 32" PITCH (EXCEPT AS NOTED)

264 TOTAL PASSENGERS

[illegible]

PART V

THE SALE AGREEMENTS

The Sale Agreements for the First Asset and the Second Asset

The First Sale Agreement and the Second Sale Agreement were entered into between the relevant NAS Seller and the Existing Lessor (in its capacity as trustee under the relevant Trust for the benefit of the First Borrower and the Second Borrower respectively) on 2 October 2013.

This first section of this Part V describes the terms of the Existing Sale Agreements.

Parties, place, date of sale and payment

Pursuant to the Existing Sale Agreements, the relevant NAS Seller sold the Existing Assets to the Existing Lessor (in its capacity as trustee under the relevant Trust for the benefit of the First Borrower in the case of the First Asset, and in its capacity as trustee under the relevant Trust for the benefit of the Second Borrower in the case of the Second Asset).

The delivery of the First Asset from Boeing to the relevant NAS Seller and delivery of the First Asset to Norwegian under the First NAS Lease occurred on 28 June 2013. The sale of the First Asset occurred on 9 October 2013 in Oslo, Norway.

The delivery of the Second Asset from Boeing to the relevant NAS Seller and delivery of the Second Asset to Norwegian under the Second NAS Lease occurred on 23 August 2013. The sale of the Second Asset occurred on 9 October 2013 in Stockholm, Sweden.

The Existing Lessor paid the Asset Purchase Price (as defined below) upon the delivery of the relevant Asset in accordance with the Existing Sale Agreement relating to such Asset. The payment of the Asset Purchase Price was made without any deduction or withholding.

Condition of the Assets on the date of sale

The Existing Lessor purchased the Existing Assets in their “as-is, where is” condition on the sale date. The NAS Sellers expressly excluded representations and warranties as to the condition of the Existing Assets. However, the Existing Assets were delivered new from Boeing to the NAS Sellers on their Delivery Dates and at the commencement of the NAS Leases, and pursuant to the arrangements described below, the Existing Lessor benefits from airframe and engine warranties from the Asset manufacturers, Boeing and Rolls-Royce plc.

The Existing Lessor delivered an acceptance certificate to the relevant NAS Seller on the sale date for each Asset as conclusive proof as between those parties and ILFC that the condition of that Asset was satisfactory to the Existing Lessor.

Airframe and engine warranties

Each NAS Seller was required to procure that any assignable airframe and engine warranties in relation to the Existing Assets were assigned to the Existing Lessor on the sale date for each Asset. The relevant NAS Seller, the Existing Lessor, Norwegian and ILFC entered into an airframe warranties assignment on 9 October 2013, acknowledged and confirmed by Boeing on the same date, pursuant to which Boeing agreed that the Existing Lessor would have the benefit of airframe warranties in relation to the Assets. The Existing Lessor, Norwegian, Rolls-Royce plc and the Existing Loan Security Trustee entered into an engine warranties agreement on 9 October 2013 pursuant to which Rolls-Royce plc agreed that the Existing Lessor and the Existing Loan Security Trustee would, in the circumstances described therein, have the benefit of engine warranties in relation to the Assets. Pursuant to such airframe warranties assignment and engine warranties agreement, the Existing Lessor is able to seek performance of the airframe and engine warranty rights directly against Boeing and Rolls-Royce plc, respectively in the circumstances described therein. In each case, during the term of the NAS Leases, so long as no default or event of default under the NAS Leases has occurred, Norwegian will be entitled to exercise the benefit of the relevant warranties under the airframe warranties assignment and engine warranties agreement.

In relation to any non-assignable airframe and engine warranties, the Existing Lessor is entitled to enforce such warranties in the relevant NAS Seller's name against relevant third parties.

Indemnities

The Existing Lessor has agreed to indemnify the relevant NAS Seller and ILFC and other defined seller indemnified parties for costs and liabilities connected with:

- (a) the ownership and operation of an Existing Asset after the sale date for that Asset;
- (b) claims for breach of intellectual property rights arising after the sale date for an Existing Asset; and
- (c) material breaches of express terms of the Existing Sale Agreements.

Norwegian provides similar indemnities to the Existing Lessor under the NAS Leases with regard to the ownership and operation of the Existing Assets and claims for breach of intellectual property rights.

The NAS Sellers have agreed to indemnify the Existing Lessor and other defined buyer indemnitees from costs and liabilities connected with:

- (a) the ownership and operation of an Existing Asset before the sale date for that Asset;
- (b) claims for breach of intellectual property rights arising before the sale date for an Existing Asset; and
- (c) material breaches of express terms of the relevant Existing Sale Agreements.

Governing law

The Existing Sale Agreements are governed by English law.

Definitions

Asset Purchase Price means an amount equal to US\$133,000,000 less an amount equal to US\$12,658 per day from the date upon which delivery to Norwegian occurred under the relevant NAS Lease until and including the date of sale of the Existing Asset to the Existing Lessor.

The Sale Agreements for the Third Asset and the Fourth Asset

The New Sale Agreements will be executed by the Thai Seller and the New Borrowers prior to Admission.

The Third Borrower in the case of the Third Asset, and the Fourth Borrower in the case of the Fourth Asset, will enter into the relevant New Sale Agreement with the Thai Seller (the Thai Seller being an AerCap affiliate) shortly prior to Admission. The following sections of this Part describe the expected terms of the New Sale Agreements.

Parties, place, date of sale and payment

Pursuant to the New Sale Agreements between the Thai Seller and the New Borrowers, the Thai Seller will sell the Third Asset to the Third Borrower and the Fourth Asset to the Fourth Borrower.

The delivery of the Third Asset from Boeing to the Thai Seller and delivery of the Third Asset to Thai Airways under the Third Thai Lease occurred on 29 October 2014. The sale of the Third Asset is expected to occur shortly after Admission and the place of sale will be a location reasonably agreed among the Thai Seller, the Third Borrower and Thai Airways.

The delivery of the Fourth Asset from Boeing to the Thai Seller and delivery of the Fourth Asset to Thai Airways under the Fourth Thai Lease occurred on 9 December 2014. The sale of the Fourth Asset is expected to occur shortly after Admission and the place of sale will be a location reasonably agreed among the Thai Seller, the Fourth Borrower and Thai Airways.

The Third Borrower will be required to pay the New Asset Purchase Price for the Third Asset and the Fourth Borrower will be required to pay the New Asset Purchase Price for the Fourth Asset upon the delivery of the relevant New Asset in accordance with the respective New Sale Agreement relating to such New Asset.

The payment of the New Asset Purchase Price for each New Asset must be without any deduction or withholding.

Condition of the Assets on the date of sale

The New Borrowers will agree to buy the New Assets in their “as-is, where is” condition on the sale date. The Thai Seller will expressly exclude representations and warranties as to the condition of the New Assets. Pursuant to the arrangements described below, the New Borrowers will benefit from airframe and engine warranties from the Asset manufacturers, Boeing and Rolls-Royce plc.

Delivery of an acceptance certificate by the Third Borrower in respect of the Third Asset and the Fourth Borrower in respect of the Fourth Asset to the Thai Seller on the sale date for the relevant Asset will be conclusive proof as between those parties, AerCap Ireland Capital Limited and ILFC UK Limited that the condition of that Asset is satisfactory to the relevant New Borrower.

Delay

If there is a delay to the sale date of an Asset beyond 20 June 2015 (the **Delay Date**) (or such other date as the relevant New Borrower and Thai Seller may agree in writing) (which is not caused by the relevant Thai Seller’s or the relevant New Borrower’s breach of the relevant New Sale Agreement), either the relevant Thai Seller or the relevant New Borrower may terminate the relevant New Sale Agreement by giving written notice to the other. Following the Delay Date, either the relevant Thai Seller or the relevant New Borrower may, where it has a termination right following a breach of the relevant New Sale Agreement request in writing that the other party confirms its intent to terminate the relevant New Sale Agreement within 7 days of such request. If confirmation of termination is provided within 7 days of the request for the confirmation, the relevant New Sale Agreement will terminate. Alternatively, if the confirmation of termination is not given within 7 days of the request for confirmation, the relevant New Sale Agreement will remain in effect.

In addition, if the relevant Thai Seller anticipates that there will be a delay to the sale date of a New Asset beyond 20 June 2015, either the relevant Thai Seller or the relevant New Borrower may terminate the relevant New Sale Agreement by giving written notice to the other party. Following the relevant New Borrower’s receipt of the relevant Thai Seller’s notice of anticipatory delay, either the relevant Thai Seller or the relevant New Borrower may request in writing that the other party confirms its intent to terminate the relevant New Sale Agreement within 7 days of such request. If confirmation of termination is provided within 7 days of the request for the confirmation, the relevant New Sale Agreement will terminate. Alternatively, if the confirmation of termination is not given within 7 days of the request for confirmation, the relevant New Sale Agreement will remain in effect.

Airframe and engine warranties

The relevant Thai Seller will procure that any assignable airframe and engine warranties in relation to a New Asset are assigned to the relevant New Borrower on the sale date for that New Asset. It is expected that the relevant Thai Seller, the relevant New Borrower and Thai Airways will enter into an airframe warranties assignment, acknowledged and confirmed by Boeing, on or around the sale date for each New Asset pursuant to which Boeing will agree that the relevant New Borrower will have the benefit of airframe warranties in relation to the relevant New Asset in certain circumstances. It is expected that the relevant New Borrower, Thai Airways, the New Loan Security Trustee and Rolls-Royce plc will enter into an engine warranties agreement on or around the sale date pursuant to which Rolls-Royce plc agrees that the relevant New Borrower and the New Loan Security Trustee will have the benefit of engine warranties in relation to the relevant New Asset in certain circumstances. Pursuant to such airframe warranties assignment and engine warranties agreement, the relevant New Borrower will be able to seek performance of the airframe and engine warranty rights directly against Boeing and Rolls-Royce plc, respectively in certain circumstances. In each case, during the term of the Thai Leases, so long as no default or event of default under the Thai Leases has occurred, Thai Airways will be entitled to exercise the benefit of the relevant warranties under the airframe warranties assignment and engine warranties agreement.

In relation to any non-assignable airframe and engine warranties, the relevant New Borrower will be entitled to enforce such warranties in the relevant Thai Seller’s name against relevant third parties.

Indemnities

The relevant New Borrower will agree to indemnify the relevant Thai Seller, AerCap Ireland Capital Limited, ILFC UK Limited and ILFC and other defined seller indemnified parties for costs and liabilities connected with:

- (a) the ownership and operation of a New Asset after the sale date for that New Asset;
- (b) claims for breach of intellectual property rights arising after the sale date for a New Asset; and
- (c) material breaches of express terms of the New Sale Agreements.

Thai Airways will provide similar indemnities to the New Lessor under the Thai Leases and the New Lessor will provide similar indemnities to the New Borrowers under the New Head Leases with regard to the ownership and operation of the New Assets and claims for breach of intellectual property rights.

The relevant Thai Seller will agree to indemnify the relevant New Borrower and other defined buyer indemnities from costs and liabilities connected with:

- (a) the ownership and operation of the relevant New Asset before the sale date for that New Asset;
- (b) claims for breach of intellectual property rights arising before the sale date for the relevant New Asset; and
- (c) material breaches of express terms of the New Sale Agreements.

Governing law

The New Sale Agreements will be governed by English law.

Guarantee

The obligations of the New Borrowers under the New Sale Agreements will be guaranteed by the Company.

Definitions

New Asset Purchase Price means an amount equal to (A) the aggregate of (a) US\$126.8 million per aircraft and (b) interest on such amount from (but excluding) 31 March 2015 to (but excluding) the sale date for the relevant New Asset, at the rate of 7.5 per cent. per annum accruing on the basis of the number of days that have elapsed during such period and a year of 365 days, less (B) the amount of Lease Rentals under the relevant Lease paid by Thai Airways for the relevant New Asset paid to ILFC UK Limited attributable to the period starting on and excluding 31 March 2015 to the sale date for the relevant New Asset (resulting in a reduction of the New Asset Purchase Price on a daily basis).

PART VI

THE LEASES AND LEASE NOVATIONS

The Leases and Lease Novations for the NAS Leases

The Existing Lessor (acting as trustee on behalf of the First Borrower in respect of the First Asset, and as trustee on behalf of the Second Borrower in respect of the Second Asset) (all of which companies are wholly owned subsidiaries of the Company) leases the First Asset and the Second Asset to Norwegian pursuant to the NAS Leases as novated by the NAS Lease Novations.

The first section of this Part VI describes the terms of the NAS Leases as novated pursuant to the NAS Lease Novations.

The NAS Leases

Term

The NAS Leases each have a term of twelve years from the relevant commencement date, being the date of delivery of each of the First Asset and the Second Asset to Norwegian. The First Asset was delivered to Norwegian on 28 June 2013, and the Second Asset was delivered to Norwegian on 23 August 2013.

The NAS Leases are net rental leases pursuant to which Norwegian bears all costs relating to the Existing Assets during the lifetime of the NAS Leases.

The Existing Lessor does not provide any representation or warranty to Norwegian under the NAS Leases in relation to faults, functioning or performance of the Existing Assets. The NAS Leases (in conjunction with warranty agreements with the manufacturers) permit Norwegian to exercise warranty and guarantee rights directly against Boeing, Rolls Royce and the other manufacturers of the Existing Assets during the term of the NAS Leases. If the Existing Lessor notifies Boeing and Rolls Royce that there has been an event of default under the relevant NAS Lease or that the relevant NAS Lease has been terminated, the Existing Lessor shall be entitled to exercise the Boeing and Rolls Royce warranty and guarantee rights to the exclusion of Norwegian.

Lease Rentals

The First NAS Lease

The Lease Rentals under the First NAS Lease consist of monthly US Dollar Lease Rentals for the lease term. Monthly Lease Rentals are due in advance on the 15th day of each calendar month.

The Second NAS Lease

The Lease Rentals under the Second NAS Lease consist of monthly US Dollar Lease Rentals for the lease term. Monthly Lease Rentals are due in advance on the 15th day of each calendar month.

Norwegian sub-lease

Norwegian has the right to sub-let the Existing Assets to its subsidiaries or companies majority owned or controlled by Norwegian which are incorporated in Denmark, Norway, Sweden or Finland without the Existing Lessor's consent under certain conditions. Any other sub-lease is subject to the Existing Lessor's consent. Norwegian remains primarily liable to the Existing Lessor in the event the Existing Assets are sub-let. Any sub-lease remains subject and subordinate to the relevant NAS Lease and Norwegian is obliged to assign its rights as lessor under such sub-lease to the Existing Lessor as security.

There are currently no sub-leasing arrangements in place in respect of the First Asset and the Second Asset.

Financial reports

Norwegian is required to provide the Existing Lessor with financial information and reports relating to the operation and use of the Existing Assets.

Maintenance, maintenance reserves and total care arrangements

Maintenance

Norwegian undertakes to maintain and repair the Existing Assets (including their engines and all other parts) in accordance with: (i) the maintenance plan; (ii) the rules and regulations of the aviation authority; (iii) the manufacturer's type design; and (iv) any other regulations or requirements necessary in order to maintain a valid certificate of airworthiness of the Existing Assets and in the same manner and without discriminating against the Existing Assets compared to other similar aircraft and engines operated by Norwegian. The Existing Lessor has the right to inspect the Existing Assets at specified intervals. Norwegian is entitled to remove an Engine from the airframe of the Existing Assets for: (i) maintenance; and (ii) use by Norwegian on another aircraft in Norwegian's fleet, subject to complying with requirements to protect the Existing Lessor's title, rights and interest in such Engine.

Maintenance reserves

Under the NAS Leases, Norwegian has contracted to pay to the Existing Lessor maintenance reserves, by way of supplemental rent, based on Norwegian's use of the Existing Assets during the term of the NAS Leases.

Maintenance reserves are Norwegian's contributions to a retention account held by the Existing Lessor which are calculated by reference to the budgeted cost of maintenance and overhaul events. They are intended to ensure that at all times, the Existing Lessor holds sufficient funds to cover the proportionate cost of maintenance and overhaul of the Existing Assets relating to the life used on the airframe, engines and parts since new or since the last overhaul. During the term of the NAS Leases, all maintenance is required to be carried out at the cost of Norwegian, and maintenance reserves are required to be released only upon receipt of satisfactory evidence that the relevant qualifying maintenance or overhaul has been completed.

Total care arrangements

Norwegian and the Existing Lessor have entered into a total care arrangement with respect to the Existing Assets (the GoldCare Program with Boeing in relation to the airframes and TotalCare with Rolls-Royce plc in relation to the Engines).

The Boeing GoldCare Program is an arrangement pursuant to which operators make regular payments to Boeing in return for maintenance and overhaul services in respect of the airframe (and which may also include auxiliary power units, landing gear and high value components). The airframe is managed throughout its lifecycle and maintenance and spare parts are readily available.

The Rolls-Royce TotalCare Program is an arrangement pursuant to which operators make regular payments to Rolls-Royce in return for engine management and maintenance.

The Existing Lessor has entered into total care arrangements which provide protection to the Existing Lessor such that the Existing Lessor can have the benefit (through contractual arrangements with Boeing and Rolls-Royce plc) of Norwegian's payments under the total care arrangements and, if the benefit under the total care arrangements is transferrable, such payments, together with those of future aircraft operators, may provide protection in respect of all life used on the airframes (or engines) since new or since the last overhaul.

Since Norwegian and the Existing Lessor have entered into total care arrangements for the airframes (and/or the auxiliary power units, landing gear and high value components), Norwegian is not obliged to pay reserves relating to airframe checks, the auxiliary power units, landing gear and high value components (as applicable) and Norwegian instead makes the corresponding payments to Boeing in respect of the accrued use of such equipment.

Since there is a total care arrangement in place for the Engines, Norwegian is not obliged to pay reserves relating to engine checks and Norwegian instead makes the corresponding payments to Rolls Royce in respect of the accrued use of the Engines.

Norwegian is still obliged to pay maintenance reserves for those other items of aircraft maintenance that are not covered under the total care arrangements.

Norwegian is still liable to carry out, and pay for, all maintenance on the Existing Assets during the term of the NAS Leases.

Insurance

Norwegian is required at its own cost to insure the Existing Assets against both damage and third party liability. Each NAS Lease specifies the following minimum requirements for insurances in respect of the Existing Asset to which it relates:

- (a) Hull All Risks for an amount in excess of the purchase price for the relevant Asset (which reduces by 3 per cent. on each annual Norwegian insurance fleet renewal date falling after the first year of the lease term) (the **Agreed Value**) with only a limited deductible permitted (in a market standard amount for this type of asset) for each and every loss. The deductible is not applicable to Total Loss, constructive total loss or arranged total loss;
- (b) Aviation and Airline General Third Party Liability for a combined single limit of not less than US\$1 billion (or such higher amount as Norwegian may carry on any other aircraft in its fleet) for any one occurrence per aircraft (but in respect of products liability this limit may be in aggregate);
- (c) Hull War and Allied Perils for the Agreed Value. Norwegian is not required to obtain confiscation or requisition coverage if the Existing Assets are registered in Norway, Sweden or Denmark; and
- (d) Spares All Risks for replacement cost with limits of not less than US\$40,000,000 for any one location, US\$20,000,000 for any one sending, and with a deductible of not more than US\$10,000 per claim.

The Company and the Existing Lenders are listed as additional assureds on all policies.

Except for third party liability insurance, all insurance proceeds will be required to be paid to the Existing Loan Security Trustee (except for claims of less than a certain threshold (in a customary amount), which may be paid to Norwegian unless the Company notifies the insurance broker in writing of a material default by Norwegian).

Return of the Existing Assets

At the end of each of the NAS Leases, Norwegian will be required to return the relevant Existing Asset to the Existing Lessor in the state specified by the NAS Lease at an airport in Western Europe designated by the Existing Lessor or to such other location as may be mutually agreed between Norwegian and the Existing Lessor.

The NAS Leases require that the Existing Assets are returned in economic “full-life” condition, meaning that:

- (a) the airframe must be returned fresh from a 12-year check with zero flight hours consumed since then (except for the return acceptance flight); and
- (b) the Engines and certain parts must be returned in a minimum physical condition (allowing for uninterrupted use of 18 months or 2,000 flight cycles after the date of return) and Norwegian will have paid maintenance reserves up to the return date to cover all accrued use since new or since the last overhaul for such Engine or part; if (as is expected) the total care arrangements continue for the full lease term the relevant payments will have been made under the total care arrangements, and the Existing Lessor will have the benefit of the rights under the total care arrangements in respect of the payments for accrued use since new or since the last overhaul.

If an Existing Asset is not returned in the condition specified in the relevant NAS Lease, Norwegian will be obliged to make such repairs and modifications as are required to restore the relevant Existing Asset to the required condition. If the making of these repairs and modifications extends beyond the term of the relevant NAS Lease, the relevant NAS Lease will be extended on a day-by-day basis in order to allow Norwegian to make the necessary repairs and modifications but Norwegian will be obliged to pay twice the amount of Lease Rent in effect at the end of the term for each day from and including the 8th day after the scheduled expiry of the NAS Lease until the actual termination date. Alternatively, the Existing Lessor may accept return of the Existing Asset and arrange for the return condition work to be done within 90 days following return of the Existing Asset at the then commercial rates at Norwegian's expense.

Requisition

If an Existing Asset is requisitioned for use by a governmental entity, Norwegian's payment and other obligations under the NAS Lease continue as if such requisition has not occurred. So long as no default or event of default under the NAS Lease has occurred and is continuing, all payments received by Norwegian from the requisitioning governmental entity may be retained by Norwegian. However, if a default or event of default has occurred and is continuing under the NAS Lease, all payments received by Norwegian from the requisitioning governmental entity may be used by the Company to satisfy any obligations owing by Norwegian.

Right of the Company to terminate

Under the terms of each of the NAS Leases, the Existing Lessor will have the right to terminate a NAS Lease in certain circumstances (each a **Lessor Termination Event**), including:

- (a) failure by Norwegian to pay any sum payable by it under the relevant NAS Lease within five Business Days of its due date;
- (b) Norwegian fails to obtain or maintain the insurance required by the NAS Lease;
- (c) Norwegian fails to return the Existing Asset in the return condition at the end of the NAS Lease term;
- (d) any representation made by Norwegian in the relevant NAS Lease proves to be untrue in any material respect;
- (e) the registration of the Existing Asset is cancelled other than as a result of an act or omission of the Existing Lessor;
- (f) Norwegian abandons the Existing Asset;
- (g) Norwegian or an Approved Sub-Lessee no longer has unencumbered control other than Permitted Liens (as defined in the relevant NAS Lease) or possession of the Existing Assets, except as otherwise permitted by the relevant NAS Lease;
- (h) Norwegian threatens to discontinue or temporarily or permanently discontinues business or sells or otherwise disposes of all or substantially all of its assets;
- (i) a material adverse change occurs in the financial condition of Norwegian;
- (j) Norwegian no longer possesses the licences, certificates or permits required for the conduct of its business as a certificated air carrier in Norway;
- (k) Norwegian fails to pay when due any airport or navigation charges (including Eurocontrol charges) or any landing fees assessed with respect to the Existing Assets or any aircraft operated by Norwegian which, if unpaid, may give rise to any lien, right of detention, right of sale or other security interest in relation to the Existing Assets or any part thereof;
- (l) Norwegian (i) suspends payments of its debts or other obligations, (ii) is unable to or admits its inability to pay its debts or other obligations as they fall due, (iii) is adjudicated or becomes bankrupt or insolvent or (iv) proposes or enters into any composition or other arrangements for the benefit of its creditors generally;
- (m) any proceedings, resolutions, filings or other steps are instituted or threatened with respect to Norwegian relating to the bankruptcy, liquidation, reorganisation or protection from creditors of Norwegian or a substantial part of Norwegian's property. If instituted by Norwegian, this is an immediate Event of Default. If instituted by another person, this is an Event of Default if not dismissed, remedied or relinquished within sixty days;
- (n) any order, judgment or decree is entered by any court of competent jurisdiction appointing a receiver, trustee or liquidator to Norwegian or a substantial part of its property, or if a substantial part of Norwegian's property is to be sequestered. If instituted by or done with the consent of Norwegian, this will be an immediate Event of Default. If instituted by another person, this is an Event of Default if not dismissed, remedied or relinquished within sixty days;
- (o) any indebtedness for borrowed moneys or a guarantee or similar obligation owed by Norwegian with an unpaid balance of at a specified threshold amount is declared due before its stated maturity or Norwegian is in default under any other purchase agreement, lease, conditional sale agreement or other agreement pursuant to which Norwegian has possession of any aircraft and the relevant person has commenced repossession or other remedial action in respect of such aircraft;

- (p) Norwegian is in default under any other lease or agreement between (i) Norwegian and the Existing Lessor, (ii) Norwegian and the Existing Borrower, (iii) Norwegian and the Existing Lessor in its capacity as lessor under the NAS Lease for the other Existing Asset, (iv) Norwegian and DS Aviation or (iv) Norwegian and any Affiliate of the Existing Lessor, and the same is not cured within its specified cure period;
- (q) Norwegian is in default under any other aircraft or aircraft equipment lease agreement which is managed by the Existing Lessor, the Existing Borrower, DS Aviation or any Affiliate of DS Aviation on behalf of another person and the same is not cured within its specified cure period; or
- (r) Norwegian fails to observe or perform any of its other obligations under the NAS Lease (other than the above) and fails to cure the same within 15 days after written notice thereof to Norwegian. If such failure cannot by its nature be cured within 15 days, Norwegian will have the reasonable number of days necessary to cure such failure (not to exceed a period of sixty days) so long as it uses diligent and best efforts to do so.

Consequences of Lessor Termination Event

If a Lessor Termination Event occurs, in addition to any other rights that it may have under Applicable Law, the Existing Lessor's contractual rights include:

- (a) terminating the relevant NAS Lease by giving written notice to Norwegian;
- (b) terminating the rights of Norwegian to use or operate the relevant Existing Asset by giving written notice to Norwegian, in which case Norwegian's obligations under the relevant NAS Lease will continue;
- (c) taking possession of the relevant Existing Asset, and upon doing so, the Existing Lessor will then be entitled to sell, lease or otherwise deal with the relevant Existing Asset as if the NAS Lease had not been made;
- (d) enforcing performance of the relevant NAS Lease and recovering damages for the breach by Norwegian; and
- (e) applying all or a portion of the current security deposit and any other security deposits held by the Existing Lessor and its affiliates pursuant to any other leases with Norwegian to any amounts due under the relevant NAS Lease.

Total Loss of an Asset

In case of a Total Loss of an Existing Asset, Norwegian will pay (or Norwegian will procure that its insurers pay) the Agreed Value to the Existing Lessor (and in the Lessor Security Assignment, the Existing Lessor will direct for the Agreed Value to be paid to the Existing Loan Security Trustee) by the date falling sixty days after the Total Loss Date, together with all amounts of Lease Rentals and other amounts accrued under the NAS Lease in relation to that Existing Asset.

Disposal of an Existing Asset during the term of a NAS Lease and transfer/assignment of a NAS Lease

The Existing Lessor is permitted to dispose of an Existing Asset and its rights and obligations under the relevant NAS Lease to a transferee without Norwegian's consent.

Governing law and jurisdiction

Each of the NAS Leases (unless otherwise agreed between the Existing Lessor and Norwegian) is governed by the laws of the State of California (notwithstanding the conflict laws of the State of California) and any disputes are subject to the non-exclusive jurisdiction of the Federal District Court for the Central District of California and the State of California Superior or Municipal Court in Los Angeles, California. Nothing in the NAS Leases prevents either the Existing Lessor or Norwegian from bringing suit in any other appropriate jurisdiction. Each Existing Lessor and Norwegian have waived the right to a trial by jury to the maximum extent permitted by law.

ILFC and the NAS Leases

At the time of the Existing Lease Novations, ILFC was the world's largest independent aircraft lessor measured by number of owned aircraft. Its portfolio then consisted of approximately 1,000 owned or

managed aircraft, as well as commitments to purchase 243 new high-demand, fuel-efficient aircraft, and rights to purchase an additional 50 such aircraft.

In May 2014 AerCap completed its acquisition of ILFC from AIG. AerCap is now the global leader in aircraft leasing and aviation finance with US\$44 billion of assets.

AerCap leases aircraft to airlines operating in every major geographic region, including emerging and high-growth markets in Asia, Latin America, the Middle East and Eastern Europe.

The NAS Leases were negotiated and documented by ILFC and the Existing Lessor now benefits from these lease terms pursuant to the Existing Lease Novations.

Definitions

Approved Sub-Lessee means any Permitted Sub-Lessee or any other person to whom the Existing Assets may from time to time be leased or operated in accordance with, and subject to the NAS Leases.

Permitted Sub-Lessee means, at any time, an entity that is incorporated in either Denmark, Norway, Sweden or Finland and such entity is a direct subsidiary of Norwegian, majority owned by Norwegian and controlled by Norwegian.

The Leases and Lease Novations for the Thai Leases

The Company intends to lease the Third Asset and Fourth Asset through the Third Borrower and the Fourth Borrower and the New Lessor. The Third Borrower will acquire legal and beneficial title to the Third Asset through the Third Sale Agreement and lease the Third Asset to the New Lessor pursuant to the First Head Lease. The Fourth Borrower will acquire legal and beneficial title to the Fourth Asset through the Fourth Sale Agreement and lease the Fourth Asset to the New Lessor pursuant to the Second Head Lease. The interests of ILFC UK Limited under the Third Lease and the Fourth Lease will be transferred to the New Lessor pursuant to the Third Lease Novation and the Fourth Lease Novation respectively.

At the date of this Prospectus, the Thai Leases have already been entered into with the Third Asset and the Fourth Asset already delivered to and being operated by Thai Airways pursuant to such Thai Leases. The Third Asset was delivered on 29 October 2014 and the Fourth Asset was delivered on 9 December 2014.

The Third Lease Novation and the Fourth Lease Novation have been signed but will become effective after Admission.

The Thai Leases are in the “ILFC Lease” form (as are the NAS Leases) and are as described above under the heading “The NAS Leases” with the following exceptions:

Lease Rentals

The Lease Rentals are due monthly in advance no later than the same day as the “Delivery Date” for the relevant New Asset (subject to adjustment where such day is not a business day or where there is no corresponding date in the month concerned).

Subleases

Thai Airways will have the right to sub-let the New Assets to its subsidiaries of which it owns 51 per cent. of the shares. Thai Airways is obliged to assign its rights as lessor under any sublease to the New Lessor or the New Loan Security Trustee or one or more of the New Loan Finance Parties as security.

There are no current subleases in respect of the New Assets.

Maintenance reserves

Upon termination of a New Lease on account of a Total Loss, the New Lessor will retain 100 per cent. of any unused Reserves.

Total care arrangements

The Thai Leases contemplate Thai Airways entering into a total care arrangement with Rolls-Royce, but not with Boeing. At the date of this Prospectus, no total care arrangements have been entered into with respect to the New Assets.

Insurance

Thai Airways is required to obtain confiscation and requisition coverage.

For Spares All Risks, Engines are to be insured for replacement cost or owner-specified agreed value.

Return of the Assets

The return location is Bangkok, Thailand and on return the Engines need to allow for uninterrupted use of 5,000 flight cycles (as opposed to 18 months or 2,000 flight cycles under the NAS Leases). As noted above, as of the date of this Prospectus, there are no total care arrangements in place.

Right of the Company to terminate

The “Lessor Termination Events” are the same as described above in respect of the NAS Leases other than:

- the grace period for payment default is 4 Business Days (as opposed to 5 Business Days under the NAS Leases);
- there is a grace period for representations which prove to be untrue in any material respect of 30 days after written notice of such incorrectness has been given to Thai Airways (where such incorrectness is capable of remedy); and
- there is no separate Event of Default where the Lessee no longer has unencumbered control or possession of the Aircraft.

Consequences of Lessor Termination Event

The following additional express contractual rights are included:

- requiring Thai Airways to immediately cease flying the New Asset and leave it parked in its then-current location by giving written notice to Thai Airways, in which case Thai Airways’ obligations under the relevant New Lease will continue;
- requiring that Thai Airways immediately move the New Asset to an airport or other location designated by the New Lessor and park the New Asset there by giving written notice to Thai Airways, in which case Thai Airways’ obligations under the relevant New Lease will continue;
- instructing any maintenance or repair facility which is in possession of the New Asset as to its disposition and release;
- doing anything that may be required to cure any default and recover from Thai Airways all reasonable costs, including legal fees and expenses incurred in doing so.

Total Loss of an Asset

Following a Total Loss, Thai Airways will be required to pay the Agreed Value to the New Lessor within 30 days of the Total Loss Date (as opposed to 60 days under the NAS Leases).

Governing Law and Jurisdiction

The Thai Leases are governed by English law and provide for submission to the jurisdiction of the English courts (as opposed to Californian law and the Californian courts under the NAS Leases).

Guarantee

The obligations of the New Lessor to Thai Airways under the Thai Leases will be guaranteed by the Company.

Security Deposits

The Group has received (from Norwegian) and upon Admission will receive (from Thai Airways) the security deposits in aggregate in the amount of US\$13,264,000.

Norwegian may elect to provide a letter of credit in a specified form for a US\$1,000,000 maximum portion of its security deposit. Thai Airways does not have the right to replace the security deposit (or part thereof) with letters of credit.

PART VII

NORWEGIAN

Introduction

Norwegian Air Shuttle ASA, commercially branded “**Norwegian**”, is a low-cost airline listed on the Oslo Stock Exchange. As at 31 December 2014, Norwegian’s market capitalisation was NOK9,711 million (equivalent to approximately US\$1.29 billion based on the NOK/US\$ exchange rate as at that date).

Norwegian is the second largest airline in Scandinavia and the third largest low-cost airline in Europe with a route portfolio stretching across Europe into North Africa, North America, Asia and the Middle East.

Norwegian flies to 136 destinations in 38 countries. The airline serves 423 routes. Norwegian commenced long-haul operations in May 2013, and now offers flights to five destinations in the USA and Bangkok in Thailand.

As at 18 May 2015, Norwegian operated 90 single-aisle jet aircraft, of which 85 are Boeing 737-800s, 5 are Boeing 737-300s and 8 Boeing 787-8s. Norwegian has opted to modernise its fleet with state-of-the-art Boeing 737-800 aircraft.

In January 2012, Norwegian placed an order with both Boeing and Airbus to purchase 222 aircraft – of which 100 are Boeing 737 MAX8s, 22 are Boeing 737-800s and 100 are Airbus A320neos. The order is stated to be Europe’s largest ever single aircraft order.

Norwegian has also ordered 17 Boeing 787-8 Dreamliners for its long-haul operations and currently has seven Dreamliners on its long haul fleet.

The average age of Norwegian’s fleet is 4.2 years, which will be reduced to 3.8 years in 2015 due to new aircraft deliveries and sales.

Source: Norwegian

<i>Type of plane</i>	<i>Boeing 737-800</i>	<i>Boeing 737-300</i>	<i>Boeing 787-8 Dreamliner</i>
Number of planes	85	5	8
Passengers	186/189	148	291 (32 in Premium Economy and 259 in Economy)
Crew per flight	Two pilots, four cabin crew	Two pilots, three cabin crew	Varies according to route
Engines	General Electric/Snecma CFMI XFM56-7B26	General Electric/Snecma CFM-56-3	Rolls-Royce Trent 1000G
Maximum starting weight	78.999 kg	61.915 kg – 63.265 kg	227.930 kg
Length	39.5 metres	33.4 metres	57 metres
Wing span	35.8 metres w/winglet	28.91 metres	60 metres
Engine power	26.4 K = 26.400 Lbs	22 K = 22.000 Lbs	67 K = 67.000 Lbs
Speed	858 km/h	797 km/h	913 km/h

Financial Position of Norwegian

The information in this section is sourced from Norwegian’s annual report for the financial year ended 31 December 2014, and Norwegian’s annual report for the financial year ended 31 December 2013.

According to its consolidated audited accounts for the year ended 31 December 2013, Norwegian's revenue for its financial year ended 31 December 2013 was NOK 15,580 million (equivalent to approximately US\$2.56 billion based on the NOK/US\$ exchange rate as at 31 December 2013), an increase of 21 per cent. compared to the previous financial year. NOK 13,381 million (2012: NOK 11,201 million) of this revenue was related to ticket revenues, NOK 1,758 million (2012: NOK 1,405 million) was ancillary revenues, while NOK 372 million (2012: NOK 235 million) was related to other revenue.

According to its consolidated audited accounts for the full year ended 31 December 2014, Norwegian's revenue for 2014 was NOK 19,540 million (equivalent to approximately US\$2.60 billion based on the NOK/US\$ exchange rate as at 31 December 2014), an increase of 25 per cent. compared to the previous year.

According to its consolidated audited accounts for the full year ended 31 December 2014, Norwegian's total assets as at 31 December 2014 were NOK 22,706 million (equivalent to approximately US\$3.02 billion based on the NOK/US\$ exchange rate as at 31 December 2014). At 31 December 2014, Norwegian had a cash balance of NOK 2,011 million. The net loss in 2014 was mainly caused by fuel hedging and a weak Norwegian krone.

Key Financial Data in NOK

	2013 (million)	2014 (million)
Total Revenues	15,579.5	19,540
EBITDAR	2,783.9	1,184
Operating Profit/Loss	969.7	-1,411
Profit/Loss before tax	437.4	-1,627
Net Profit/Loss	321.6	-1,070
Total Equity	2,750	2,108

(Source: Norwegian Air)

	2013	2014
Fleet		
No. of Aircraft (at year end)	85	95
Air Traffic		
No. of routes (operated during the year)	391	402
Approximate number of transported passengers	20.71 million	24.0 million
Load factor	78.3%	80.9%

(Source: figures for the year 2013 are taken from the summary provided by Norwegian in the 2013 report 'Year in Brief'/figures for the year 2014 taken from the 2014 Annual Report)

Winner of Awards

In 2013 and 2014, Norwegian was named the "Best Low-Cost Airline in Europe" by Skytrax during the World Airline Awards.

The airline was awarded as Europe's Best Low-Cost Airline by Airlineratings.com in 2014 and 2015.

Norwegian is the first airline in Europe to offer in-flight WiFi and was awarded the Passenger Choice Awards 2012-2014 in the category "Best Inflight Connectivity and Communications".

In January 2009, Air Transport World named Norwegian "Market Leader of the Year". The award recognised Norwegian for several accomplishments:

- successful adaptation of the low-cost model to the Scandinavian air travel market
- its strategy to combine low fares with high tech, with strong emphasis on customer-focused information technology
- swift market response to the collapse of Sterling
- the ability to stay profitable in challenging times

In August 2008, SkyTrax named Norwegian the best low-cost carrier in Northern Europe and in April 2008, Norwegian was awarded a prize for being the best Norwegian company in terms of public reputation, and for having the best management of all companies in Norway.

PART VIII

THAI AIRWAYS

Introduction

Thai Airways International Public Company Limited, commercially branded “**Thai**”, was founded in 1960 and is the national carrier of the Kingdom of Thailand. It operates full service domestic, regional and intercontinental flights radiating from its home base in Bangkok to key destinations around the world and within Thailand. The company's paid up capital amounts to 21.83 billion Baht (equivalent to approximately US\$663.53 million based on the Baht/US\$ exchange rate as at 31 December 2014) and is 53.16 per cent. owned by the Ministry of Finance and the Government Savings Bank. The credit rating of the Thai Government is Baa1 (Moody's) (Moody's is not registered in the European Union).

Thai Airways is listed on the stock exchange of Thailand.

The airline is a founding member of the airline alliance Star Alliance. Thai Smile Aircraft Company Limited, a 100 per cent. subsidiary of Thai Airways, is the regional airline focusing on domestic and regional routes.

The Thai Airways Fleet and Route Network

As at 31 December 2014, Thai Airways had an active fleet of 102 aircraft. The fleet consists of 83 widebody aircraft and 19 narrowbody aircraft.

Thai Airways has ordered 10 aircraft to be delivered during the years 2015-2018. Furthermore, Thai Airways will take delivery of a further 12 aircraft under leases. Thai Airways' fleet strategy includes the reduction of its fleet to less than 90 aircraft and from 9 aircraft families and 11 types to 6 aircraft families and 8 types.

As at 31 December 2014, Thai Airways' route network spanned 77 destinations in 34 countries with 10 domestic points of destination (excluding Bangkok). Its international routes are focused on destinations in Asia, Europe and Oceania.

Source: Thai Airways

Financial Position of Thai Airways

The information in this section is sourced from Thai Airways' annual report 2014 for the financial year ended 31 December 2014.

According to its consolidated audited accounts for the year ended 31 December 2014, Thai Airways' revenue for its financial year ended 31 December 2014 was Baht 203.88 billion (equivalent to approximately US\$6.19 billion based on the Baht/US\$ exchange rate as at 31 December 2014). Baht 178.48 billion (2013: Baht 196.85 billion) of this revenue was related to air transport, Baht 9.88 billion (2013: Baht 9.48 billion) was revenue from business units and from other activities, while Baht 15.52 billion (2013: Baht 1.37 billion) was related to other income.

This revenue figure represented a decrease of 1.8 per cent. on the previous year. The decrease was mainly due to the impact of political unrest in the first half of 2014, which resulted in lower tourist demand.

According to its annual report for the financial year ended 31 December 2014, Thai Airways' total assets as at 31 December 2014 were Baht 307.2 billion (equivalent to approximately US\$9.33 billion based on the Baht/US\$ exchange rate as at 31 December 2014). At 31 December 2014, Thai Airways had a cash balance of Baht 23.3 billion (equivalent to approximately US\$708.2 million based on the Baht/US\$ exchange rate as at 31 December 2014).

Key Financial Data in BAHT (million)

	2011 (restated)	2012	2013	2014	Q1 2015 (unaudited)
Total Revenues	194,342	216,743	207,710	203,889	51,216
Profit/loss before tax	-7,917	7,104	-12,929	-16,738	2,265
Net Profit/loss	-10,162	6,510	-12,000	-15,573	4,549
Total Equity	62,947	69,818	56,919	41,296	45,845

(Source: figures for 2011-2014 taken from Thai Airways' Annual Results for 2013 and 2014 and figures for 2015 taken from the Q1 2015 consolidated financial statements)

Fleet

	2010	2011	2012	2013	2014
No. of Aircraft (at year end)	90	89	95	100	102

Air Traffic

	2010	2011	2012	2013	2014
No. of routes (operated at 31 December of each relevant year)	72	72	73	79	77
Approximate number of transported passengers (in millions)	18,165	18,398	20,615	21,510	19,096
Load factor	69.4%	65.4%	68.4%	65.9%	62.4%

(Source: figures for 2010 – 2014 taken from Thai Airways' Annual Reports for 2013 and 2014)

At the beginning of 2015, Thai Airways presented its program “Thai Transformation”, which has the following goals:

- Re-emerge as a national carrier bearing the pride of the Thai People
- Ensure sustainable growth and profit
- Be ranked among the top 3 airlines in the world

The plan includes network and fleet strategies as well as Operations and Cost Control strategies.

Winner of Awards

In 2015, Thai Airways was awarded Best Economy Class by airlinersrating.com.

In 2014, Thai Airways received an award for the “Best Airline Staff Service in Asia” and the “Best Economy Class Airline Catering” by Skytrax during the World Airline Awards.

At the 7th Annual TravelMole APAC Web Award 2014, Thai Airways received the award for “Best APAC Airline Website”.

Thai Airways received the “TTG Travel Awards for Best South-East Asian Airline and Best Airline Business Class” at the TTG Travel Awards 2014.

PART IX

THE LOANS AND THE LOAN AGREEMENTS

The Loans and the Loan Agreements for the First Asset and the Second Asset

Summary

The First Borrower and the Second Borrower, being wholly-owned subsidiaries of the Company, entered into two separate loan agreements (the First Loan Agreement and the Second Loan Agreement) with the Existing Lenders in relation to their respective acquisitions of the First Asset and the Second Asset. The summary below sets out the terms which apply to the First Loan Agreement and the Second Loan Agreement.

The First Loan of US\$79,800,000 was drawn down on 9 October 2013 and will be fully amortised with monthly repayments in arrears over approximately 11 and a half years (until just after the scheduled expiry of the First Lease on 28 June 2025). The First Borrower granted a first priority mortgage over the First Asset in favour of the First Loan Security Trustee. The First Loan Security Trustee is also nominated as the first loss payee under the First Asset's insurances.

The Second Loan of US\$79,800,000 was drawn down on 9 October 2013 and will be fully amortised with monthly repayments in arrears over 11 years 10.5 months until just after the scheduled expiry of the Second Lease on 23 August 2025. The Second Loan has materially the same terms as the First Loan with only necessary changes being made to reflect the different Assets, Borrowers and delivery dates.

Each of the First Asset and the Second Asset are held by the Existing Lessor, also a wholly-owned subsidiary of the Company. The Existing Lessor is a company incorporated in Ireland and it owns each of the First Asset and the Second Asset in its capacity as a trustee of the relevant Trust for the benefit of the relevant Borrower. The first section of this Part IX describes the terms of the First Loan and the Second Loan and the First Loan Agreement and the Second Loan Agreement.

The Loan Agreements

Structure and term

The committed term of the First Loan and the Second Loan is from the drawdown date (9 October 2013) until 30 June 2025 in respect of the First Loan and 26 August 2025 in respect of the Second Loan.

Each Loan is amortised with repayments every month in arrears over the term in amounts set out in a schedule agreed by the relevant Borrower and the Existing Loan Agent on the drawdown date. Amortisation is on an annuity-style (i.e. mortgage-style) basis.

Interest

Interest on the First Loan and the Second Loan is payable in arrears on the last day of each interest period, which is one month long (the **Interest Period**). Interest accrues at a floating rate of interest calculated using LIBOR for the length of the Interest Period and a margin of 2.6 per cent. per annum (the **Loan Margin**) (the **Loan Floating Rate**).

For the purposes of calculating the Loan Floating Rate, if on the date when LIBOR is set prior to the beginning of an Interest Period it is not possible for LIBOR to be determined by reference to a screen rate at the time that LIBOR is to be set for that Interest Period (a **Market Disruption Event**), the amount of interest payable to each affected Lender during the Interest Period will be the aggregate of each such Lender's cost of funds during that monthly period and the Loan Margin.

If any amount is not paid by the relevant Existing Borrower when due under the Existing Loan Transaction Documents (as defined below under the heading 'Prepayment'), interest will accrue on such amount at the then current rate applicable to the relevant Existing Loan plus 2.0 per cent. per annum.

Hedging Agreement

The First Borrower and the Second Borrower entered into ISDA-standard hedging arrangements with Norddeutsche Landesbank Girozentrale as hedging provider in connection with its Loan, in order to provide

for fixed-rate interest to be payable in respect of such Loan, to be funded by the fixed rental payments under the corresponding NAS Lease. Norddeutsche Landesbank Girozentrale in its capacity as hedging provider is also a secured party under the Existing Loan Documents.

Prepayment

Upon not less than 15 Business Days' prior written notice to the Existing Loan Agent, each of the First Borrower and Second Borrower has the right to prepay its Loan in full (together with all other amounts then due and payable) at any time or in part (in an amount of at least US\$5,000,000, and if greater, in integral multiples of US\$1,000,000) on the last day of an Interest Period.

The Existing Borrowers may otherwise prepay the relevant Loan if (i) a Market Disruption Event has occurred, (ii) the relevant Existing Borrower is required to pay a greater amount of interest to an Existing Lender due to the imposition of a withholding tax in respect of any Existing Lender or (iii) the relevant Borrower is required to indemnify the Existing Loan Finance Parties in respect of tax liabilities or liabilities affecting an Existing Finance Party arising from a change in law.

The Existing Borrowers are automatically obliged to prepay their Loan in full (together with all other amounts then due and payable) on the date that any of the following occur:

- (a) the Existing Lessor (or any person on its behalf) sells the relevant Existing Asset; or
- (b) if a Total Loss occurs in respect of the relevant Existing Asset, on the date on which Norwegian is obliged to pay the Agreed Value pursuant to the relevant NAS Lease or the insurers/reinsurers actually pay the Agreed Value.

The Existing Loan Agent may require the First Loan or the Second Loan to be prepaid in full (together with all other amounts then due and payable) if (a) it becomes unlawful for any party to perform their material obligations under (i) the relevant Existing Loan Agreement, the relevant Existing Loan Security Documents (as defined below under the heading 'Security'), and all documents ancillary to these documents (the **Existing Loan Documents**), (ii) the relevant NAS Lease and all documents ancillary to such NAS Lease, (iii) the relevant Existing Sale Agreement and all documents ancillary to such Existing Sale Agreement or (iv) any related document (each an **Existing Loan Transaction Document**), or (b) any material part of an Existing Loan Transaction Document becomes illegal or unenforceable, or (c) the security created by any Existing Loan Security Document is discharged or loses its priority or any authorisation required for the validity of any Existing Loan Transaction Document ceases to be in full force and effect, and the parties are unable to resolve such issues within a specified period of time for mitigation and/or restructuring, or (d) if the relevant Existing Borrower fails to re-lease or sell the relevant Existing Asset on or before the last day of the applicable remarketing period following the early termination of the relevant Existing Lease with Norwegian.

If the Existing Loan is prepaid, the relevant Existing Borrower will be required to indemnify the Existing Lender in respect of any losses arising from broken funding costs, including costs arising from the Existing Lenders' matched funding of the relevant Loan for the duration of the scheduled term. In the event of a prepayment of the Loan as a result of the Total Loss of an Asset, the Existing Lenders have agreed that they will not charge for any costs relating to the matched funding of the relevant Loan. A termination of the interest rate hedging arrangements in connection with any Loan prepayment may give rise to interest rate breakage costs.

Events of Default

The Existing Loan Agent (acting on the instructions of the Existing Lenders with commitments or participations in the relevant Loan which together in aggregate are greater than 66²/₃ per cent. of the total commitments or participations in the relevant Loan (the **Existing Loan Instructing Group**)) will be able to demand immediate repayment of the relevant Loan and enforce the security created by the relevant Existing Loan Security Documents if any of the following events occur (each an **Existing Loan Event of Default**):

- (a) the relevant Existing Borrower fails to pay any amount of principal or interest under the relevant Existing Loan Agreement on its due date and such non-payment continues unremedied for 5 Business Days after delivery of written notice of failure to pay or the making of a demand (as applicable);
- (b) the Company, the relevant Existing Borrower or the Existing Lessor (collectively, the **Obligors** and each an **Obligor**) fails to pay any amount (other than of principal or interest under the relevant Existing Loan Agreement) under the relevant Existing Loan Agreement or the other relevant Existing Loan Transaction Documents on its due date and such failure continues unremedied for 5 Business Days after written

notice of failure has been given to the relevant Obligor or, if such amount is due on demand, after the relevant demand has been made;

- (c) an Obligor fails to comply with any other obligation under the relevant Existing Loan Transaction Documents (other than the obligations set out in paragraph (d) below) and, if capable of remedy, such failure is not remedied within 30 days of written notice from the Existing Loan Agent being given to the relevant Obligor;
- (d) the relevant Existing Borrower fails to comply with its obligations in respect of the undertakings listed as (d), (f) – (n), (p) – (r), (u) and (v) in the section headed “Undertakings” in this Part IX and the Existing Lessor and the Company fail to comply with their equivalent undertakings in the relevant Existing Loan Security Documents (the **Existing Loan Material Undertakings**) except to the extent that grace periods apply in respect of a breach of certain of the Existing Loan Material Undertakings;
- (e) any representation made or deemed made by the relevant Existing Borrower and/or Existing Lessor in an Existing Loan Transaction Document is untrue or incorrect in any material respect and in the opinion of the Existing Loan Instructing Group such event has or will have a material adverse effect on the interests or position of the Existing Loan Finance Parties;
- (f) an Obligor repudiates or evidences an intention to repudiate an Existing Loan Transaction Document;
- (g) any Obligor is insolvent;
- (h) insolvency proceedings are commenced in respect of any Obligor;
- (i) any execution is levied against any asset of the Existing Lessor or the relevant Borrower, unless (i) such event is a termination event under the relevant NAS Lease and the Existing Lessor has complied with its obligations in respect of the relevant NAS Lease in responding to this event or (ii) such execution is disputed in good faith and adequate reserves have been made and such execution is discharged within sixty days;
- (j) any Obligor ceases to carry on a substantial part of its business, or a change occurs in the business of such party, and in the opinion of the Existing Loan Instructing Group such cessation or change has or is likely to have a material adverse effect on any Obligor’s ability to perform its obligations under the relevant Existing Loan Transaction Documents or on the rights and interests of the Existing Loan Finance Parties (provided that the raising of additional equity by the Company and the purchase and financing of additional aircraft by the Company through any other subsidiaries will not be such a change in business); or
- (k) any event of default occurs under the other Existing Loan Agreement (other than where the Existing Assets are leased to different airlines and the default is caused by a default of the relevant Lessee, and provided that any surplus Lease rentals, non-refundable security deposits and maintenance reserves are used to discharge amounts owing under the other Existing Loan Agreement).

Remarketing Period

If the leasing of an Existing Asset is terminated (other than by effluxion of time, or as a result of the occurrence of a Total Loss), the relevant Existing Borrower will benefit from a 6 month remarketing period (the **Remarketing Period**) to endeavour to sell or re-lease the relevant Existing Asset, provided that the conditions below are complied with:

- (a) during the first 2 months of the Remarketing Period, the relevant Existing Borrower’s obligation to repay instalments of principal of the relevant Loan will be suspended. The relevant Existing Borrower will remain obliged to pay interest on the relevant Loan and any amounts falling due under the hedging arrangements. These may be funded by applying the security deposit received under the relevant NAS Lease and/or the Liquidity Reserve;
- (b) during the subsequent 4 months of the Remarketing Period, the relevant Existing Borrower will be obliged to pay principal and interest under the relevant Existing Loan Agreement. These may be funded by applying the security deposit received under the relevant NAS Lease and/or the Liquidity Reserve;
- (c) the relevant Existing Borrower and its remarketing agent will endeavour to sell or lease the relevant Existing Asset in accordance with the standard of a reputable, internationally recognised aircraft lessor;
- (d) the Existing Loan Security Trustee must be kept fully informed about all remarketing activities relating to the Existing Assets;

- (e) the relevant Existing Borrower is responsible for any and all costs and expenses associated with all remarketing activities relating to the relevant Existing Asset (including but not limited to costs for the remarketing agent, storage, insurance, maintenance, and legal fees of the Existing Loan Finance Parties); and
- (f) the Existing Lessor will not enter into any subsequent lease agreement relating to the Existing Asset or any legally binding commitment to lease the Existing Asset without the prior written consent of the Existing Loan Security Trustee (not to be unreasonably withheld or delayed, and provided that the Existing Lenders will not be entitled to withhold consent to a replacement lease if the reasons for the refusal are primarily related to the general policy of an Existing Lender (i) to reduce its overall aircraft finance portfolio or (ii) to focus on other geographic regions than the region of the proposed subsequent operator).

Security

Each Existing Loan will be secured by security created under the following security documents (the **Existing Loan Security Documents**):

Mortgage

A first priority mortgage over each Existing Asset executed by the Existing Lessor in favour of the Existing Loan Security Trustee.

Account Security Agreements

A first priority security agreement over the Lease Accounts (as defined below under the heading 'Application of Proceeds in respect of the Assets') executed by the relevant Existing Borrower in favour of the Existing Loan Security Trustee.

Lessor Security Document

A first priority security assignment (or security agreement(s)) executed by the Existing Lessor in favour of the Existing Loan Security Trustee in relation to all of its rights, title and interest in and to all insurances in respect of the each Existing Asset, each NAS Lease, any letters of credit provided in lieu of security deposit, any total care step-in agreements, any requisition compensation for each Existing Asset, the warranties for each Existing Asset, any management and remarketing agreement, any sublease, and any sale proceeds in respect of each Existing Asset.

Borrower Security Documents

First priority security agreements are to be executed by the relevant Existing Borrower in favour of the Existing Loan Security Trustee in relation to all of its rights, title and interest in and to the relevant Trust Agreement and all of its rights, title and interest in and to all insurances in respect of each Existing Asset.

Company Security Documents

A charge over the shares of the Existing Lessor and a security interest over the shares of the Existing Borrowers held by the Company, granted in favour of the Existing Loan Security Trustee. A security assignment of rights under the Asset Management Agreement.

Undertakings

Pursuant to the Existing Loan Agreement, the relevant Existing Borrower was required to give a number of undertakings to the Existing Loan Finance Parties, including but not limited to undertakings:

- (a) to maintain its existence duly organised and validly existing under the laws of its jurisdiction of incorporation and to comply with all Applicable Law, not to alter (and procure that no Obligor alters) its corporate structure;
- (b) to notify the Existing Loan Finance Parties of the occurrence of any Existing Loan Event of Default, the occurrence of a mandatory prepayment event and the occurrence of a Lease event of default, the creation of any security over the relevant Existing Asset and any material litigation against any Obligor;
- (c) to comply with its obligations under the Existing Loan Transaction Documents;
- (d) not to take any action which has or will have the effect of prejudicing any Obligor's interests in the relevant Existing Asset or the Existing Loan Finance Parties' interests in the Existing Assets secured by the Existing Loan Security Documents;

- (e) to take such actions as the Existing Loan Agent or the Existing Loan Security Trustee require to reserve the Obligors' interest and title in the relevant Existing Asset and the other assets secured by the Existing Loan Security Documents, and to protect the Existing Loan Finance Parties' security over the relevant Existing Asset;
- (f) not to amend the Existing Loan Transaction Documents without the consent of the Existing Loan Agent or the Existing Loan Security Trustee;
- (g) not to dispose of the relevant Existing Asset or any other asset which is subject to the security created by the Existing Loan Security Documents;
- (h) not to create or permit to exist any security over its assets which are subject to the security created by the Existing Loan Security Documents;
- (i) not to merge or consolidate with any other person or sell substantially all of its assets to any person;
- (j) to take such actions as are available to it under the terms of the Existing Loan Transaction Documents to monitor and enforce the terms of the relevant NAS Lease (provided that the Existing Lessor will not be obliged to terminate the relevant NAS Lease if the Existing Lessor does not believe that this is the best course of action);
- (k) if the relevant NAS Lease is terminated for any reason, to act in accordance with the Existing Loan Security Trustee's instructions, which may include to ground the relevant Existing Asset and operate and maintain the relevant Existing Asset in accordance with other instructions from the Existing Loan Security Trustee;
- (l) not to change the State of Registration of the relevant Existing Asset without the Existing Loan Security Trustee's consent;
- (m) not to lease (or permit the sub-lease of) the relevant Existing Asset or any Engine or other part of the Existing Asset except in accordance with the terms of the relevant NAS Lease and relevant Existing Loan Agreement (provided that any replacement lease is subject to the consent of the Existing Lenders, which consent is not to be unreasonably withheld or delayed);
- (n) if the relevant NAS Lease is terminated, to endeavour to sell or lease the relevant Existing Asset, but if leased, the relevant Existing Asset may only be leased to a lessee on terms reasonably acceptable to the Existing Loan Security Trustee; provided that the Existing Lenders will not be entitled to withhold consent to a replacement lease if the reasons for the refusal are primarily related to the general policy of an Existing Lender (i) to reduce its overall aircraft finance portfolio or (ii) to focus on other geographic regions than the region of the proposed subsequent operator; and if the relevant Existing Asset is to be sold, the net sale proceeds must be sufficient to repay all amounts outstanding under the relevant Existing Loan Agreement;
- (o) to deliver all material notices and other documents received from Norwegian, DS Aviation or any manufacturer of the Existing Assets to the Existing Loan Agent and the Existing Loan Security Trustee;
- (p) not to give its consent or otherwise in respect of any material request made under the Existing Loan Transaction Documents (including the waiver of any Lessor Termination Event under the relevant NAS Lease), or issue any notice of termination under the relevant NAS Lease, without the approval of the Existing Loan Security Trustee;
- (q) not to engage in any other business except as contemplated in the Existing Loan Transaction Documents;
- (r) not to enter into any contract or agreement or incur any liability except as contemplated by the Existing Loan Transaction Documents and the transactions contemplated thereby;
- (s) to provide the Existing Loan Agent and the Existing Loan Security Trustee with all information reasonably requested in the context of the transactions contemplated by the Existing Loan Transaction Documents;
- (t) to deliver its and the Company's audited financial statements within 180 days of the end of each financial year (as well as any financial statements and other documents delivered to the Existing Lessor by Norwegian under the relevant NAS Lease);
- (u) to execute or procure that the Existing Lessor executes a replacement mortgage in respect of the relevant Existing Asset if the Existing Loan Security Trustee believes that the existing aircraft mortgage in relation to the relevant Existing Asset is in any way ineffective or inadequate; and

- (v) not to enter into any currency exchange, interest rate exchange, interest rate fixing or any other hedging arrangements in relation to all or part of the Existing Loan with anyone other than Norddeutsche Landesbank Girozentrale as hedging provider under the Existing Loan Documents.

Tax Gross Up and Indemnity

The relevant Existing Borrower is required to make all payments to the Existing Loan Finance Parties free and clear of and without deduction or withholding for taxes. If a payment is required by law to be subject to a withholding or deduction, the relevant Existing Borrower will be required to gross-up such payment to ensure that the net sum received by the Existing Lenders is the sum it should have received had the withholding or deduction not been made.

Application of Proceeds in respect of the Assets

The Existing Loans are cross-collateralised.

All:

- (a) net sale proceeds from the sale of an Existing Asset;
- (b) Total Loss insurance proceeds;
- (c) other insurance proceeds;
- (d) proceeds of any warranty claims against the manufacturers of the Existing Asset;
- (e) Lease Rentals;
- (f) security deposit;
- (g) any maintenance reserves;
- (h) compensation arising from the requisition of the Existing Asset; and
- (i) any other amounts received under an Existing Loan Transaction Document; (together, the **Aircraft Proceeds**),

will be required to be paid into designated bank accounts maintained by the relevant Existing Borrower in relation to the relevant Existing Asset with the Existing Loan Security Trustee (the **Lease Accounts**).

Application of Proceeds before an Existing Loan Event of Default

While no Existing Loan Event of Default has occurred and is continuing, all Aircraft Proceeds (other than those set out in (a)-(d) and, if the relevant Existing Borrower is obliged to return the security deposit and maintenance reserves to Norwegian pursuant to the relevant NAS Lease, other than (f) and (g) of the definition of Aircraft Proceeds above) will be required to be applied in the following order in respect of the relevant Existing Loan Agreement:

- (a) payment of all interest (including default interest) then due and payable under the relevant Existing Loan Agreement (provided that unless the hedging agreement has been terminated, payment will be made to Norddeutsche Landesbank Girozentrale as hedging provider, and the hedging provider will make payment of the corresponding floating interest amount scheduled to be payable under the relevant Existing Loan Agreement);
- (b) payment of all principal then due and payable under the Existing Loan Agreement;
- (c) payment to the Existing Lenders for all amounts then due and payable in respect of broken funding costs;
- (d) payment of all other amounts then due and payable to the Existing Lenders under the relevant Existing Loan Agreement;
- (e) payment of any fees due but unpaid;
- (f) payment of all amounts then due and payable to Norddeutsche Landesbank Girozentrale as hedging provider under the hedging agreement;
- (g) payment of all other amounts then due and payable to the Existing Loan Finance Parties under the Existing Loan Transaction Documents; and
- (h) any surplus may be paid in accordance with the directions of the relevant Existing Borrower.

Application of Proceeds after an Existing Loan Event of Default

While an Existing Loan Event of Default has occurred and is continuing, all Aircraft Proceeds in respect of the relevant Existing Asset (other than those set out in (a)-(c) and, if the relevant Existing Borrower is obliged to return the security deposit and maintenance reserves to the Existing Lessee pursuant to the relevant NAS Lease, other than (f) and (g) of the definition of Aircraft Proceeds above) will be required to be applied in the following order in respect of the relevant Existing Loan Agreement:

- (a) payment of expenses incurred in connection with the assets secured by the Existing Loan Security Documents;
- (b) payment of all interest (including default interest) then due and payable under the relevant Existing Loan Agreement (provided that unless the hedging agreement has been terminated, payment will be made to Norddeutsche Landesbank Girozentrale as hedging provider, and the hedging provider will make payment of the corresponding floating interest amount scheduled to be payable under the relevant Existing Loan Agreement);
- (c) payment of all principal then due and payable under the Existing Loan Agreement;
- (d) payment to the Existing Lenders for all amounts then due and payable in respect of broken funding costs;
- (e) payment of all other amounts then due and payable to the Existing Lenders under the relevant Existing Loan Agreement;
- (f) payment of any fees due but unpaid;
- (g) payment of all amounts then due and payable to Norddeutsche Landesbank Girozentrale as hedging provider under the relevant hedging agreement;
- (h) payment of all amounts then due and payable to the Existing Loan Finance Parties under the other Existing Loan Agreement and the other Existing Loan Transaction Documents; and
- (i) any surplus may be paid in accordance with the directions of the relevant Existing Borrower.

Application of net sale proceeds, insurance proceeds and other surplus proceeds

Whether before or after the occurrence of an Existing Loan Event of Default, the Aircraft Proceeds in respect of each Existing Asset set out in (a) and (b) of the definition of Aircraft Proceeds above and any surplus Aircraft Proceeds relating to the other Existing Asset will be required to be applied in the following order in respect of the relevant Existing Loan Agreement:

- (a) payment of expenses incurred in connection with (i) the assets secured by the Existing Loan Security Documents, (ii) the sale or disposal of the relevant Existing Asset or (iii) a Total Loss;
- (b) payment of all interest (including default interest) then due and payable under the relevant Existing Loan Agreement;
- (c) payment of all principal then due and payable under the relevant Existing Loan Agreement;
- (d) payment to the Existing Lenders for all amounts then due and payable in respect of broken funding costs;
- (e) payment of all other amounts then due and payable to the Existing Lenders under the relevant Existing Loan Agreement;
- (f) payment of any fees due but unpaid;
- (g) payment of all amounts then due and payable to Norddeutsche Landesbank Girozentrale as hedging provider under the relevant hedging agreement;
- (h) payment of all other amounts then due and payable to the Existing Loan Finance Parties under the relevant Existing Loan Transaction Documents;
- (i) (only if an Existing Loan Event of Default has occurred and the Existing Loan Agent makes a demand for prepayment) a prepayment of an amount of the relevant Existing Loan up to the amount of any surplus Aircraft Proceeds available from a sale of the other Existing Asset;

- (j) payment of all amounts then due and payable to the Existing Loan Finance Parties under the other Existing Loan Agreement and the other Existing Loan Transaction Documents relating to the other Existing Asset, to be applied on the same basis as paragraphs (a) to (i) above; and
- (k) any surplus may be paid in accordance with the directions of the relevant Existing Borrower.

Application of warranty proceeds

Proceeds in respect of each Existing Asset set out in (d) of the definition of Aircraft Proceeds will be paid to Norwegian unless an event of default has occurred and is continuing under the relevant NAS Lease, whereafter all warranty proceeds will be paid to the Existing Loan Security Trustee for application pursuant to the section above headed "Application of Proceeds after an Existing Loan Event of Default".

Application of insurance proceeds (other than Total Loss insurance proceeds)

Proceeds in respect of each Existing Asset set out in (c) of the definition of Aircraft Proceeds above will be required to be applied as follows:

- (a) if the insurance proceeds relate to property damage or loss in excess of US\$750,000, such proceeds are to be paid to the Existing Lessor pursuant to the relevant NAS Lease;
- (b) if the insurance proceeds relate to property damage or loss below US\$750,000, such proceeds may be paid by the insurers to Norwegian, to be applied in making good all damage or loss in respect of which such insurance proceeds have been paid pursuant to the relevant NAS Lease; or
- (c) if the insurance proceeds relate to third party liability, such insurance proceeds will be paid directly in satisfaction of the relevant liability.

Following termination of the relevant NAS Lease, insurance proceeds set out in (c) of the definition of Aircraft Proceeds will be applied in accordance with the section above headed "Application of net sale proceeds, insurance proceeds and other surplus proceeds" above (unless otherwise agreed in writing between the relevant Existing Borrower and the Existing Loan Security Trustee).

Use of Aircraft Proceeds by the Existing Borrower

Provided that no Existing Loan Event of Default has occurred and is continuing, the relevant Existing Borrower will be entitled to make withdrawals from the Lease Accounts of amounts of Lease Rentals under the relevant NAS Lease, security deposit and maintenance reserves proceeds to meet certain approved payment obligations such as fund-related costs, fund administration costs, advisors' expenses and other costs and expenses necessary to enable a fund manager to operate the Group as contemplated in this Prospectus, including to fund the payment of dividends to the Company's shareholders. The relevant Existing Borrower will only be able to make such withdrawals provided that all other amounts payable to the recipients with priority as set out above have been paid.

Limited recourse

The Existing Loan Finance Parties' recourse to the Obligors in relation to the Obligors' obligations under the Existing Loan Transaction Documents will be limited to the recovery of amounts paid to or recovered by the Obligors under the Existing Loan Transaction Documents or as a result of the enforcement of the Existing Loan Transaction Documents, including the enforcement of the security created by the Existing Loan Security Documents. This will not apply if any Existing Loan Finance Party incurs a loss as a result of the relevant Obligor's gross negligence or wilful misconduct or a material misrepresentation by the relevant Obligor.

Fees

The Existing Borrowers paid fees to the Existing Lenders in accordance with the terms of separate fee letters.

Conditions precedent

In addition to the conditions precedent specified in the NAS Leases, the availability of the Existing Loans were contingent upon (among other things) the delivery of the executed Existing Loan Transaction Documents each relating to the relevant Existing Asset as well as documentation evidencing the Existing Lessor's title to the relevant Existing Asset, the certificates of airworthiness of the relevant Existing Asset

from the Irish Aviation Authority and the Federal Aviation Authority, insurance in respect of the relevant Existing Asset and the Company's, the Existing Lessor's and the Existing Borrower's authorisations to enter into the Existing Loan Transaction Documents.

Governing law and jurisdiction

The Existing Loan Agreements are governed by English law and any disputes are subject to the jurisdiction of the English courts.

The Loans and the Loan Agreements for the Third Asset and the Fourth Asset

Summary

The Company intends, through the New Borrowers, being its wholly-owned subsidiaries, to enter into two separate loan agreements with the New Lenders in relation to its acquisition of each of the Third Asset and the Fourth Asset. The New Borrowers will enter into the New Loan Agreements prior to Admission of the New Shares to be issued by the Company pursuant to the Placing.

The Company expects the terms and conditions of the New Loan Agreements to be substantially the same as those of the Existing Loan Agreements with the following exceptions:

- (a) the Third Loan and the Fourth Loan are expected to be for up to US\$78,500,000 respectively and each drawdown of the Third Loan and the Fourth Loan is expected to be available until 30 June 2015;
- (b) the Loan Margin is expected to be 1.95 per cent;
- (c) the interest rate will be fixed and consequently the New Borrower will not be required to enter into any Hedging Agreement and the market disruption and broken funding provisions reflect a fixed rate loan;
- (d) each New Borrower is expected to pay (i) to the New Lenders an arrangement fee and a commitment fee, (ii) to the New Loan Agent a facility agent fee and (iii) to the New Loan Security Trustee a security trustee fee;
- (e) the 5 Business Day grace period for the non-payment Event of Default may start from the failure itself rather than receipt of written notice of such failure;
- (f) the Event of Default in relation to breach by the New Borrower of its undertakings includes an undertaking that the New Borrower will ensure that the Third Asset and Fourth Asset are adequately insured not just an undertaking to require Thai to insure such aircraft during the Leases (this is a standard Event of Default/undertaking); and
- (g) the conditions precedent reflect that the Third Asset and Fourth Asset are Thai registered aircraft.

PART X

ASSUMPTIONS AND SENSITIVITIES

Assumptions

The statements in this Prospectus relating to targeted net IRR in the paragraph “Distribution policy” in Part I of this Prospectus and targeted distributions in the paragraph “Income distributions” in Part I of this Prospectus with regard to target net IRR and target dividends (in each case made on pages 41 and 42) are made on the basis of defined assumptions (**Assumptions**). The Assumptions do not relate to the working capital of the Group and the statements in paragraph 4 of Part XIII of this Prospectus should not be regarded as having been based on, or as being contingent on, the Assumptions. The most material of the Assumptions are as follows:

- (a) the Group pays US\$1,502,960.09 monthly in capital repayments and interest payments in aggregate in respect of the First and Second Loans and US\$1,468,880 monthly in capital repayments and interest payments in aggregate in respect of the Third and Fourth Loans;
- (b) each of the Loans is fully amortised at the end of the life of the respective Leases;
- (c) the Group receives monthly lease payments from the Lessees in respect of the Assets in full and in a timely fashion for the entire duration of the scheduled term of the relevant Lease (such lease payments amounting to US\$4,774,261 in aggregate while all four Leases are in existence);
- (d) the Company pays a dividend of 2.25 cents in February, May, August and November of every year, until August 2025 (inclusive), and a dividend of 1.035 cents from November 2025 to August 2026;
- (e) the Existing Assets are sold at the end of the scheduled term of their respective Leases for US\$80.04 million each and the New Assets are sold at the end of the scheduled term of their respective Leases for US\$80.165 million each; and
- (f) the annual running costs of the Group for 2015 are US\$1.493 million, inflating annually at a rate of 2.5 per cent.

Sensitivities

For illustrative purposes, the following tables demonstrate the sensitivity of the modelled cash return on investment at launch of the Company, based upon the Assumptions listed above, in circumstances in which the price at which the Assets are each sold is varied.

<i>Aggregate Sales Proceeds</i>	<i>Dividend return (%)</i>	<i>Residual return (%)</i>	<i>Cash return on initial investment (%) (prior to payment of any Disposal Fee)</i>
US\$289.32m (Full-life assumption –10%)	109.89	141.82	251.71
US\$321.47m (Full-life assumption)	109.89	157.13	267.02
US\$353.61m (Full-life assumption +10%)	109.89	172.43	282.33

PART XI

FINANCIAL INFORMATION RELATING TO THE GROUP

The financial information contained in this Part XI in respect of the Group has been extracted without material adjustment from the report and audited accounts of the Group in respect of the period from 5 July 2013 to 31 December 2014 (the **First Accounting Period**), which have been incorporated by reference.

KPMG was engaged by the Group as its auditor in respect of the First Accounting Period. The audit opinion provided by KPMG and incorporated by reference in this Prospectus has not been qualified.

1. Statutory accounts for the First Accounting Period

1.1 Statutory accounts of the Group for the period from 5 July 2013 to 31 December 2014, in respect of which the Company's auditor, KPMG has given an unqualified opinion that the accounts give a true and fair view of the state of affairs of the Group for the period from 5 July 2013 to 31 December 2014 and that the accounts have been properly prepared in accordance with the Companies (Guernsey) Law, 2008, as amended and that the part of the Directors' Remuneration Report that is stated as having been audited shows the fees paid by the Company, have been incorporated into this document by reference.

1.2 KPMG is a member of the Institute of Chartered Accountants in Ireland.

2. Published report and accounts for the First Accounting Period

2.1 Historical financial information

The published report and audited accounts for the Group for the period from 5 July 2013 to 31 December 2014, which have been incorporated into this document by reference, included, on the pages specified in the table below, the following information:

*Annual report and
accounts for the period
from 5 July 2013 to
31 December 2014 (audited)
– page numbers*

Consolidated statement of comprehensive income	24
Consolidated statement of changes in shareholders' equity	27
Consolidated statement of financial position	25
Consolidated statement of cash flows	26
Significant Accounting policies	28-34
Notes to the consolidated financial statements	28-50
Report of the independent auditor	22-23
Chairman's statement	6
Asset Manager's report	7-9
Report of the Directors	11-15

2.2 **Selected financial information**

The key audited figures that summarise the Group's financial condition in respect of the period from 5 July 2013 to 31 December 2014, which have been extracted without material adjustment from the historical financial information referred to in paragraph 2.1 of this Part XI, are set out in the following table:

	<i>As at 31 December 2014 or for the period from 5 July 2013 to 31 December 2014</i>
Net assets (US\$'m)	105.7
Net asset value per Share (including swap liabilities) (cents)	93.575
Net asset value per Share (excluding swap liabilities) (cents)	98.15
Lease rental income (US\$'m)	36.2
Profit for the period (US\$'m)	10.2
Total comprehensive income for the period (US\$'m)	5.0
Earnings per Share (basic and diluted) (cents)	9.02

2.3 **Operating and financial review**

The Group's published annual reports and accounts for the period from 5 July 2013 to 31 December 2014 included, on the pages specified in the table below: descriptions of the Group's financial condition (in both capital and revenue terms); details of the Group's investment activity and portfolio exposure; and changes in its financial condition for such period.

	<i>Annual report and accounts for the period from 5 July 2013 to 31 December 2014 – page numbers</i>
Overview of financial results	5
Chairman's statement	6
Asset Manager's Report	7-9
Description of Assets	4 and 8

2.4 **Capital resources**

The Group is funded by both equity and debt, with the debt provided through two Loans of US\$79,800,000 each (Source: Company unaudited assets and liabilities schedule).

2.5 **Availability of annual reports and accounts for inspection**

Copies of the Company's report and audited accounts for the period from 5 July 2013 to 31 December 2014 are available for inspection at the address set out in paragraph 13 of Part XIII of this document and also at www.dpaircraft.com.

3. Capitalisation and indebtedness

3.1 The following table shows the Company's unaudited capitalisation and indebtedness as at 31 March 2015.

	<i>As at 31 March 2015 (unaudited) US\$'000s</i>
Total current debt	
<i>Loans and borrowings</i>	
Secured	10,805
Total non-current debt (excluding current portion of long-term debt)	
<i>Loans and borrowings</i>	
Secured	134,381
Other financial liabilities (fair value of derivatives)	7,136
Total indebtedness	<u>152,322</u>
Cash and cash equivalents	5,136
Restricted cash	7,552
Total net indebtedness	<u><u>139,634</u></u>
Shareholders' equity (excluding retained earnings and hedging reserve)	
Share capital	<u>110,885</u>
Share premium	<u> </u>
Minority interests	<u> </u>
Total capitalisation	<u><u>110,885</u></u>

There has been no capitalisation movement (except for in relation to retained earnings and hedging reserves) from the published audited accounts as at 31 December 2014 to 31 March 2015.

The following table shows the Company's unaudited net indebtedness as at 31 March 2015 (being the last practicable date prior to the publication of this document).

	<i>31 March 2015 (unaudited) US\$'000</i>
A. Cash	5,136
B. Restricted cash	7,552
C. Trading securities	–
D. Liquidity (A+B+C)	12,688
E. Current financial receivable	–
F. Current bank debt	–
G. Current portion of non-current debt	10,805
H. Trading securities payable	–
I. Other current financial debt	7,136
J. Current financial debt (F+G+H+I)	17,941
K. Net current financial indebtedness (J-E-D)	5,253
L. Non-current bank loans	134,381
M. Bonds issued	–
N. Other non-current loans	–
O. Non-current financial indebtedness (L+M+N)	134,381
P. Net financial indebtedness (K+O)	139,634

4. Working capital

In the Company's opinion, the Group does not have sufficient working capital available to it for its present requirements, that is for at least the next 12 months from the date of this Prospectus.

However, the shortfall in working capital relates exclusively to working capital required in order to acquire the New Assets. Such financing is subject to the completion of the Placing and the Company agreeing the terms of, and entering into, the New Loan Agreements and satisfying the conditions to drawdown under such New Loan Agreements. The Company is confident that it will be able to execute agreements on favourable terms with the New Lenders in relation to the New Loans.

Relative timing

As further described in Part III of this Prospectus, the Placing is not being underwritten and the Placing will not proceed if the Placing Proceeds are less than the Placing Amount.

The Third Borrower's entry into the Third Sale Agreement, the Fourth Borrower's entry into the Fourth Sale Agreement and the New Lessor's entry into the New Lease Novations in relation to each of the New Assets is conditional on financing being available to the Company under the relevant New Loan Agreements. The Group's liability to fund the relevant Sale Price in relation to each of the New Assets and proceed with the acquisition of each of the New Assets will not arise until the relevant New Sale Agreement has been executed in relation to the relevant New Asset, and the Third Borrower and/or the Fourth Borrower will not do so until the relevant New Loan Agreement has been agreed with the New Lenders. Similarly, the New Lessor's obligation to have novated to it the Lease of each New Asset to Thai Airways will be conditional on the New Lenders having made financing available to the Company under the relevant New Loan.

Admission is conditional upon the Principal Documents having been entered into.

Shortfall

Pending completion of the Placing and the Principal Documents being executed and becoming unconditional, the shortfall in working capital equates to the Sale Price for each New Asset.

In the Directors' opinion, there is no shortfall in respect of the working capital required for the Group's existing operations other than the acquisition of the New Assets, as set out above and accordingly there is no requirement for additional funding for such existing operations.

Upon completion of the Placing and the entry into of the Principal Documents (which will be prior to Admission) and the Principal Documents becoming unconditional (which is expected after Admission), the Group will have the working capital required to acquire each New Asset.

Implications

If the Company were unable to enter into and execute the New Loan Agreements with the New Lenders and the New Loans were therefore unavailable to the Company, then the Company would need to arrange alternative debt finance to fund the acquisition of the New Assets. If such funding were ultimately not available then the Company would be unable to purchase the New Assets. In such circumstances, Admission would not take place and no placing monies would be taken.

PART XII

UNAUDITED PRO FORMA FINANCIAL INFORMATION

Section A: The unaudited Pro Forma Financial Information as at 31 December 2014

The unaudited Pro Forma Financial Information set out below is based on the audited consolidated financial statements of the Company for the period from 5 July 2013 to 31 December 2014 and has been prepared on the basis of the notes set out below to illustrate the effect of the Placing of New Shares, the acquisition of the Third and Fourth Assets (with Third and Fourth leases attached) and the monies received from entering into the New Loan Agreements on the Statement of Financial Position of the Group as if they had each occurred on 31 December 2014. The fees and expenses of the Placing will reduce the earnings or increase the losses of the Company.

The unaudited Pro Forma Financial Information has been prepared pursuant to Annex II of the Prospectus Directive Regulation and it is shown for illustrative purposes only to indicate how the Placing of New Shares, the acquisition of the Third and Fourth Assets (with the Third and Fourth Thai Leases attached) and the monies received from entering into the New Loan Agreements might have affected the financial position of the Group as at 31 December 2014 if they had occurred on that date. Due to its nature, the unaudited Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent the Group's actual financial position following the Placing of New Shares, the acquisition of the Third and Fourth Assets (with Third and Fourth Leases attached) and the monies received from entering into the New Loan Agreements.

Shareholders should read the whole of this document and should not rely solely on the unaudited Pro Forma Financial Information contained in this Part XII.

	Consolidated Statement of Financial Position as at 31 December 2014 ⁽¹⁾	Placing of New Shares	Adjustments New Loan Agreements US\$'000	Acquisition of Third and Fourth Assets (with Third and Fourth Leases attached)	Pro Forma Consolidated Statement of Financial Position as at 31 December 2014
Non-current assets					
Property, Plant and Equipment – Aircraft	225,586	–	–	232,625 ⁽⁴⁾	458,211
Intangible Asset – Aircraft Lease– Premium	28,036	–	–	21,475 ⁽⁴⁾	49,511
	253,622	–	–	254,100	507,722
Current assets					
Cash and cash equivalents	5,047	99,770 ⁽²⁾	155,112 ⁽³⁾	(254,100) ⁽⁴⁾	5,829
Restricted cash	7,442	–	–	6,864 ⁽⁴⁾	14,306
Trade and other receivables	30	–	–	–	30
Total Current Assets	12,519	99,770	155,112	(247,236)	20,165
TOTAL ASSETS	266,141	99,770	155,112	6,864	527,887
EQUITY					
Share capital	110,885	100,470 ⁽²⁾	–	–	211,355
Hedging Reserve	(5,172)	–	–	–	(5,172)
Retained Earnings	26	(700) ⁽²⁾	–	–	(674)
Total Equity	105,739	99,770	–	–	205,509
Non-current liabilities					
Loans and Borrowings	135,630	–	144,533 ⁽³⁾	–	280,163
Maintenance Reserves	1,042	–	–	–	1,042
Security deposits	6,400	–	–	6,864 ⁽⁴⁾	13,264
Derivative instrument liability	5,172	–	–	–	5,172
Total Non-current liabilities	148,244	–	144,533	6,864	299,641
Current liabilities					
Loans and Borrowings	10,533	–	10,579 ⁽³⁾	–	21,112
Rent received in advance	1,123	–	–	–	1,123
Trade and other payables	502	–	–	–	502
Total current liabilities	12,158	–	10,579	–	22,737
TOTAL LIABILITIES	160,402	–	155,112	6,864	322,378
TOTAL EQUITY AND LIABILITIES	266,141	99,770	155,112	6,864	527,887

Notes:

- (1) The financial information on the Group has been extracted, without material adjustment, from the audited consolidated financial statements of the Company for the period from 5 July 2013 to 31 December 2014, which is incorporated by reference into this Prospectus.
- (2) This adjustment reflects the proceeds of the Placing of New Shares of US\$102 million, net of share issue costs of US\$1.530 million payable to the Placing Agent. In addition, costs associated with the Placing of New Shares, entering into the New Loan Agreements and Acquisition of Third and Fourth Assets (with Third and Fourth Leases attached), which are not directly attributable to the above are expensed to retained earnings immediately.
- (3) This adjustment reflects the monies drawn down under the New Loan Agreements of US\$157 million, net of deferred loan costs of US\$1.888 million which are capitalised and will be amortised to the consolidated statement of comprehensive income over the term of the New Loan Agreements. The amounts payable under the New Loan Agreements, less deferred loan costs, are classified within Loans and Borrowings as either Current liabilities or Non-current liabilities based on the repayment profile of the New Loan Agreements.
- (4) This adjustment reflects the recognition, upon delivery, of the cost of the Third and Fourth Assets acquired plus initial direct costs which may be capitalised under IAS 16 and lease premium, being the fair market value of the leases attached to the aircraft.

The cash outflows associated with the acquisition of the Third and Fourth Assets (with the Third and Fourth Thai Leases attached) reflect (i) the payment of the purchase price of the New Assets to the Thai Seller after deducting amounts relating to the security deposits received by the Thai Seller from Thai Airways (ii) the establishment of restricted cash accounts to the amount of the Thai Airways security deposits (which will be used as security for the New Loans) and recognition of these security deposits as Non-current liabilities refundable to Thai Airways upon expiration of the Third and Fourth Thai Leases, and (iii) payment of the initial direct costs associated with acquiring the Third and Fourth Assets (with the Third and Fourth Thai Leases attached).

Section B: Report on the unaudited Pro Forma Financial Information as at 31 December 2014



KPMG
Chartered Accountants
1 Harbourmaster Place
IFSC
Dublin 1
Ireland

The Directors
DP Aircraft I Limited
3rd Floor
1 Le Truchot
St Peter Port
Guernsey
GY1 1WD

5 June 2015

Dear Sir or Madam:

We report on the pro forma Statement of Financial Position (the 'Pro Forma Financial Information') set out in Part XII of the prospectus dated 5 June 2015 (the 'Prospectus'), which has been prepared on the basis described in the notes thereto, for illustrative purposes only, to provide information about how the Placing of New Shares, the acquisition of the New Assets (with the Third and Fourth Thai Leases attached) and the monies received from entering into the New Loan Agreements might have affected the financial information presented on the basis of the accounting policies adopted by DP Aircraft I Limited (the 'Company') in preparing the consolidated financial statements for the period ended 31 December 2014. This report is required by paragraph 20.2 of Annex I of the Commission Regulation (EC) No. 809/2004 (the 'Prospectus Directive Regulation') and is given for the purpose of complying with that paragraph and for no other purpose.

Terms defined in this letter shall have the same meaning(s) as given to them in the Prospectus.

Responsibilities

It is the responsibility of the directors of the Company to prepare the Pro Forma Financial Information in accordance with paragraph 20.2 of Annex I of the Prospectus Directive Regulation.

It is our responsibility to form an opinion, as required by paragraph 7 of Annex II of the Prospectus Directive Regulation, as to the proper compilation of the Pro Forma Financial Information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Save for any responsibility arising under Prospectus Rule 5.5.3R(2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with paragraph 23.1 of Annex I of the Prospectus Directive Regulation, consenting to its inclusion in the Prospectus.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board of the United Kingdom and Ireland. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

- the Pro Forma Financial Information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of the Company.

Declaration

For the purposes of Prospectus Rule 5.5.3R(2)(f) we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with paragraph 1.2 of Annex I of the Prospectus Directive Regulation.

Yours faithfully

KPMG
Chartered Accountants
Dublin, Ireland

PART XIII

ADDITIONAL INFORMATION ON THE COMPANY

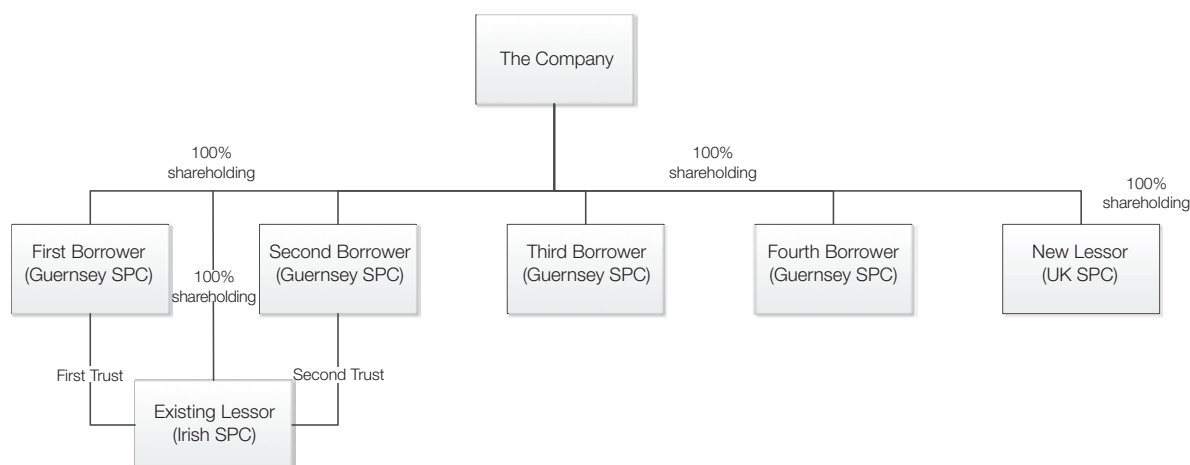
1. Responsibility statement

- 1.1 The Company and the Directors, whose names appear on page 36 of this Prospectus, accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Incorporation and administration

- 2.1 The Company was incorporated as a limited liability company in Guernsey under the Companies Laws on 5 July 2013 with registered number 56941. The Company is not registered or authorised as a collective investment scheme by the GFSC and therefore it does not need to comply with the Guernsey corporate governance regimes applicable to those schemes. The registered office and principal place of business of the Company is 1 Le Truchot, St. Peter Port, Guernsey GY1 1WD, Channel Islands, and the telephone number is +44 1481 743 940. The Company operates under the Companies Laws and ordinances and regulations made thereunder.
- 2.2 The Company has not been declared by the GFSC to be a collective investment scheme pursuant to the Protection of Investors (Bailiwick of Guernsey) Law 1987.
- 2.3 Changes in the issued share capital of the Company since incorporation are summarised in paragraph 4 below.
- 2.4 The Dublin office of KPMG has been the only auditor of the Company since its incorporation. KPMG is a firm of chartered accountants registered with the Institute of Chartered Accountants in Ireland. The annual report and accounts will be prepared according to IFRS.
- 2.5 Historical financial information in respect of the period from 5 July 2013 to 31 December 2014 has been incorporated by reference into this Prospectus in Part XI. The Company's accounting period ends on 31 December of each year and the first financial period ended on 31 December 2014.
- 2.6 Other than the payment of two interim dividends of 2.25 cents per share made on 13 February 2015 and 18 May 2015 respectively, there has been no significant change in the financial or trading position of the Group since 31 December 2014 (being the end of the last financial period of the Company for which audited financial information has been published).

3. Group Structure



The Company

- 3.1 The Company has six wholly-owned subsidiaries: (i) the First Borrower; (ii) the Second Borrower; (iii) the Third Borrower; (iv) the Fourth Borrower, each of which is a Guernsey incorporated company limited by shares; (v) the Existing Lessor, an Irish incorporated private limited company; and (vi) the New Lessor, an English incorporated private limited company. The Existing Lessor acquired legal title to the Existing Assets as trustee for each of the Existing Borrowers. The Existing Borrowers and the Existing Lessor are parties to the Trust Agreements under which each of the Existing Borrowers is the beneficiary of the relevant Trust and the Existing Lessor is the trustee. The New Borrowers will acquire legal title to the New Assets.

The Borrowers

- 3.2 The Existing Borrowers were incorporated as limited liability companies in Guernsey under the Companies Laws on 10 July 2013 with registered numbers 56958 and 56959 respectively. The New Borrowers were incorporated as limited liability companies in Guernsey under the Companies Laws on 21 May 2015 with registered numbers 60359 and 60358 respectively. None of the Borrowers is registered or authorised as a collective investment scheme by the GFSC and therefore they do not need to comply with the Guernsey corporate governance regimes applicable to those schemes. The registered office and principal place of business of each of the Borrowers is 1 Le Truchot, St. Peter Port, Guernsey GY1 1WD, Channel Islands, and the telephone number is +44 1481 743 940 respectively. Each of the Borrowers operates under the Companies Laws and ordinances and regulations made thereunder.
- 3.3 Since their respective incorporations the Third Borrower and the Fourth Borrower have not carried on business or incurred borrowings and no accounts of the New Borrowers have been made up. The New Borrowers will enter into the New Loan Agreements and the Thai Sale Agreements before Admission.
- 3.4 The current auditor of the Borrowers is KPMG.
- 3.5 The directors of each of the Borrowers are the Directors.
- 3.6 The Borrowers have no employees as at the date of this Prospectus.
- 3.7 The Company holds the entire issued share capital of the Borrowers, comprising one ordinary share of no par value in each Borrower.

The Lessors

- 3.8 The Existing Lessor was incorporated as a limited liability company in Ireland under the Companies Acts 1963-2012 on 27 June 2013 with registered number 529455. The registered office and principal place of business of the Existing Lessor is The Mews, 10 Pembroke Place, Dublin 2, Ireland, and the telephone number is + 353 (0) 1 662 9332. The Existing Lessor is not regulated by any regulatory authority.
- 3.9 The New Lessor was incorporated as a private liability company in England under the Companies Act 2006 on 14 April 2015 with registered number 09540787. The registered office and principal place of business of the New Lessor is 18 St. Swithin's Lane, London EC4N 8AD and the telephone number is + 44 (0)207 645 4800. The New Lessor is not regulated by any regulatory authority.
- 3.10 Since its incorporation the New Lessor has not carried on business or incurred borrowings and no accounts of the New Lessor have been made up. It is expected that the New Lessor will enter into the New Lease Novations before Admission.
- 3.11 The current auditor of the Lessors is KPMG.
- 3.12 The Existing Lessor is tax resident in Ireland and the New Lessor will be tax resident in the United Kingdom.
- 3.13 The Company holds the entire issued share capital of the Existing Lessor, comprising one ordinary share of US\$1.00 fully paid. The Company holds the entire issued share capital of the New Lessor, comprising one ordinary share of US\$1.00 fully paid.

4. Share capital

- 4.1 Subject to the Companies Laws and the Articles, the Company may issue an unlimited number of shares of par value and/or no par value or a combination of both. Notwithstanding this, a maximum number of 96,333,333 New Shares will be issued pursuant to the Placing.
- 4.2 As at the date of this Prospectus, the Company's issued share capital comprises 113,000,000 Shares which were allotted to investors in connection with the IPO Admission on 4 October 2013 and one Subordinated Administrative Share. Holders of Subordinated Administrative Shares are not entitled to participate in any dividends and other distributions of the Company. On a winding up of the Company the holders of the Subordinated Administrative Shares are entitled to an amount out of the surplus assets available for distribution equal to the amount paid up, or credited as paid up, on such shares after payment of an amount equal to the amount paid up, or credited as paid up, on the Shares to the Shareholders. Holders of Subordinated Administrative Shares shall not have the right to receive notice of and have no right to attend, speak and vote at general meetings of the Company except if there are no Shares in existence.
- 4.3 Without prejudice to the provisions of the Companies Laws and without prejudice to any rights attached to any existing shares or class of shares, or the provisions of the Articles, any share may be issued with such preferred, deferred or other rights or restrictions, as the Company may by ordinary resolution direct or, subject to or in default of any such direction, as the directors may determine. In particular, the Articles provide for rights attaching to C Shares.
- 4.4 The Directors are entitled to issue and allot Shares as well as C Shares for cash or otherwise on a non pre-emptive basis.
- 4.5 Subject to the exceptions set out in Part III of this Prospectus, Shares are freely transferable and Shareholders are entitled to participate (in accordance with the rights specified in the Articles) in the assets of the Company attributable to their Shares in a winding up of the Company.
- 4.6 Save as disclosed in this paragraph 4, since the date of its incorporation, no share or loan capital of the Company has been issued or agreed to be issued, or is now proposed to be issued, either for cash or any other consideration and no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any such capital. No share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option.
- 4.7 All of the New Shares will be in registered form and eligible for settlement in CREST. Temporary documents of title will not be issued.

5. Directors' and other interests

- 5.1 The Directors have confirmed to the Company that they do not intend to subscribe for any New Shares under the Placing. Insofar as is known to the Company, the interests of each Director, including any connected person, the existence of which is known to, or could with reasonable diligence be ascertained by, that Director whether or not held through another party, in the share capital of the Company before and after Admission will be as follows:

<i>Director</i>	<i>Number of Shares currently held</i>	<i>% of issued Share capital</i>	<i>Number of Shares on Admission</i>	<i>% of issued* Share capital on Admission</i>
Jon Bridel	7,500	0.06	7,500	0.0036
Didier Benaroya	—	—	—	—
Jeremy Thompson	15,000	0.13	15,000	0.0072

*Assuming that all applications for New Shares are satisfied in full and that 96,333,333 New Shares are issued under the Placing

- 5.2 As at 4 June 2015, being the latest practicable date prior to the publication of this Prospectus), the only persons known to the Company who, directly or indirectly, are interested in 5 per cent. or more of the Company's issued share capital are set out in the following table:

<i>Shareholder</i>	<i>Number of Shares</i>	<i>% of issued Share capital</i>
CCLA Investment Management Ltd	20,543,862	18.1804%
Nestle Capital Management Ltd	11,000,000	9.73%
Prudential Plc Group of Companies	25,000,000	22.12%
AXA Investment Managers SA	7,680,000	6.80%
Baillie Gifford & Co	10,000,000	8.85%
Tesco Pension Trustees Limited	10,000,000	8.85%

- 5.3 All Shareholders have the same voting rights in respect of the Shares.
- 5.4 Depending upon the level of third party participation in the Placing, Dr. Peters (or entities within the same group as Dr. Peters) may apply for New Shares in the Placing. Such application would not exceed 10 per cent. of the New Shares to be issued pursuant to the Placing.

Directors' remuneration and benefits

The Company

- 5.5 Each of the Directors is entitled to receive a fee of £20,000 per annum (increasing to £22,500 for the Chairman of the Audit Committee with effect from 1 July 2015 or, if earlier, from the date of acquisition of the New Assets) from the Company in respect of their position as a director of the Company, save for the Chairman who is entitled to receive a fee of £25,000 per annum (increasing to £27,500 with effect from 1 July 2015 or, if earlier, from the date of acquisition of the New Assets). The Directors also receive a fee of £5,000 per annum for acting as director in relation to each of the Existing Borrowers and will receive an additional fee of £5,000 per annum for acting as director of each of the New Borrowers. Two Ireland-based directors receive a fee of €6,000 in aggregate per annum. Didier Benaroya receives £10,000 for acting as director of the Existing Lessor and will receive a fee of £10,000 per annum in respect of his appointment to the board of the New Lessor. Two additional directors have been appointed to the board of the New Lessor and will receive a fee of £2,500 each per annum. No commissions or performance related payments will be made to the Directors by the Company. In addition, the Directors will receive a further fee of £5,000 in respect of the additional work carried out by them in respect of the Acquisition and the Placing. The aggregate remuneration and benefits in kind of the Directors in respect of the twelve month period ending on 31 December 2015 which will be payable out of the assets of the Company will not exceed £200,000.
- 5.6 No Director has a service contract with the Company, nor are any such contracts proposed. The Directors were appointed as non-executive directors from 9 July 2013. Each Director has a letter of appointment that states that their appointment and any subsequent termination or retirement shall be in accordance with and subject to the Articles. The Directors' letters of appointment provide that, upon the termination of a Director's appointment, that Director must resign in writing and all records remain the property of the Company. Each Director's appointment can be terminated on 3 months' notice or otherwise in accordance with the Articles or the Companies Laws. Each Directors' letters of appointment provide that the Director's appointment shall be terminated immediately without notice (or payment in lieu of notice) if: (i) he is not reappointed where appropriate by a resolution of Shareholders; (ii) he is removed by a resolution of Shareholders; and (iii) he resigns or otherwise ceases to be a director in accordance with the Articles.
- 5.7 No loan has been granted to, nor any guarantee provided for the benefit of, any Director by the Company.
- 5.8 There are no potential conflicts of interest between the duties of the Directors of the Company or any committee therein owed to the Company and their private interests or other duties.
- 5.9 In addition to their directorships of the Company and the Borrowers, the Directors hold or have held the directorships and are or were members of the partnerships, as listed in the table below, over or within the past five years. Details of the directorships that are held and have been held in the past five years by any Director will also be made available to any subscriber or potential subscriber at the registered office of the Company.

<i>Name</i>	<i>Current directorships/partnership</i>	<i>Past directorships/partnership</i>
Jonathan Bridel	AnaCap Credit Opportunities GP II Limited AnaCap Credit Opportunities II Limited AnaCap Credit Opportunities III Limited AnaCap Credit Opportunities GP III Limited AnaCap Investment Manager Limited Altus Global Gold Limited Alcentra European Floating Rate Income Fund Limited BWE GP Limited Starwood European Real Estate Finance Limited Starfin Public GP Limited Aurora Russia Limited The Renewables Infrastructure Group Limited Vision Capital Management Limited Fair Oaks Income Fund Limited Sequoia Economic Infrastructure Income Fund Limited	Royal Bank of Canada Investment Management (Guernsey) Limited (became RBC Investment Solutions (CI) Limited on 1 July 2008) RBC Offshore Fund Managers Limited RBC Fund Services (Jersey) Limited RBC Investment Services Limited RBC Regent Fund Managers Limited FTSE UK Commercial Property Index Fund Limited GLF (GP) Limited Rhodium Stone PCC Limited Perpetual Global Limited Impax Renewable Power Infrastructure Limited MGI (Guernsey) Limited Palio Capital Management Guernsey Limited Palio Capital Founding Partners Limited
Didier Benaroya	Numera Limited Numera Services Limited	
Jeremy Thompson	Golden Gate Ltd International Oil & Gas Technology Fund Ltd Celtic Pharma Holdings GP Limited Celtic Pharma Holdings GP III Limited Strategic Investment Portfolio GP Limited Clifford Estate Co. Ltd Clifford Estate (Chattels) Ltd CPH II LP Limited DBG Management GP (Guernsey) Ltd GN3 SIP GP Limited WDCRK SIP GP Limited Energy Ventures III (GP) Limited Energy Ventures IV (GP) Limited Energy Ventures Private Equity V (GP) Limited NextEnergy Capital IM Limited	Novator Credit Management Ltd Novator Credit Luxembourg SARL Novator INTL Holdings Ltd Novator Telecom Bulgaria Ltd Carrera Global Investments Ltd Novator Telecom Sweden Ltd Novator Telecom Ltd Novator Pharma Holdings Ltd Novator Asset Management Ltd Lambris (did not trade) Novator Finland OY Advent BTC Holdings Ltd Advent BTC UK Ltd Viva Ventures Holding Ltd BTC Telecom (Overseas) Ltd Novator Guernsey Services Ltd Cybele Associated Ltd (did not trade) Bulgarian Telecommunications Company AD Samson Global Holdings SARL Novator Telecom Poland II SARL Novator Telecom Poland SARL Novator Finland SARL Novator Telecom Bulgaria SARL Novator Cayman Limited P4 Sp. z.o.o. Hermes Absolute Return Fund (Guernsey) Ltd Indian Motor Cycles Ltd Climate Change Capital Wind Energy Fund Ltd (Did not trade) Novator Guernsey Ltd Voice Commerce Group Ltd Hermes Commodities Umbrella Fund

5.10 As at the date of this Prospectus:

- (a) none of the Directors has any convictions in relation to fraudulent offences for at least the previous five years;
- (b) none of the Directors was a director of a company, a member of an administrative, management or supervisory body or a senior manager of a company within the previous five years which has entered into any bankruptcy, receivership or liquidation proceedings;
- (c) none of the Directors has been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years; and
- (d) none of the Directors is aware of any contract or arrangement subsisting in which they are materially interested and which is significant to the business of the Company which is not otherwise disclosed in this Prospectus.

5.11 The Company will maintain directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.

5.12 The Company is not aware of any person who directly or indirectly, jointly or severally, exercises or, immediately following the Placing, could exercise control over the Company.

6. Taxation

General

The information below, which relates only to Guernsey and United Kingdom taxation, summarises the advice received by the Board and is applicable to the Company and to persons who are resident in Guernsey or the United Kingdom for taxation purposes and who hold Shares as an investment. It is based on current Guernsey and United Kingdom revenue law and published practice, respectively, which law or practice is, in principle, subject to any subsequent changes therein (potentially with retrospective effect). Certain Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their Shares in connection with their employment may be taxed differently and are not considered.

If you are in any doubt about your tax position, or if you may be subject to tax in a jurisdiction other than the Guernsey or the United Kingdom, you should consult your professional adviser.

Guernsey

- (a) *The Company, the First Borrower, the Second Borrower, the Third Borrower and the Fourth Borrower (the **Guernsey Companies**)*

The Guernsey Companies are subject to income tax at the company standard rate, which is currently zero per cent. However, tax at rates greater than zero per cent. will be payable on any income received by the Guernsey Companies from the ownership of lands and buildings in Guernsey or from certain regulated activities. It is not intended that the Guernsey Companies make any such investments or engage in any of the regulated activities in question.

The Guernsey Companies may in the future consider applying for exempt company status under the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989 (as amended).

- (b) *Shareholders*

Shareholders of the Company, whether corporates or individuals, who are not resident in Guernsey for tax purposes, will not be subject to Guernsey income tax and will receive dividends without deduction for Guernsey income tax. Individual shareholders who are resident in Guernsey for tax purposes will be subject to tax at the individual standard rate of 20 per cent. upon dividends.

(c) *Capital Taxes and Stamp Duty*

Guernsey does not currently levy taxes on capital gains nor does it levy any gift or inheritance tax, although ad valorem fees are payable in respect of the grant of probate or letters of administration by the relevant authority in Guernsey.

No stamp duty is chargeable in Guernsey on the issue, transfer, conversion or redemption of Shares in the Company.

(d) *EU Savings Tax Directive*

Guernsey is not a member state of the European Union, but in common with certain other jurisdictions has entered into bilateral agreements with EU member states in respect of the taxation of savings income. Paying agents in Guernsey will automatically report to the Director of Income Tax any payment made to individuals who are resident in those states, if the payment falls within the European Union directive regarding the taxation of savings income (the **EU Savings Directive**) as applied in Guernsey. Interest payments may include distributions from the proceeds of shares or units in certain collective investment schemes which are, or are equivalent to, UCITS. However, guidance notes issued by the States of Guernsey indicate that the Company should not be regarded as, or as equivalent to, a UCITS. Accordingly, payments made to Shareholders will not be subject to reporting as matters currently stand. The EU Savings Directive is currently under review and a number of changes have been proposed which, if agreed, will widen its scope with effect from 1 January 2017. These changes could lead to the Company being required to report payments made by it to Shareholders.

Guernsey, along with other dependent and associated territories, will consider the effect of the amendments to the EU Savings Directive in the context of existing bilateral agreements and domestic law. If changes to the implementation of the EU Savings Directive are brought into effect, or if it is repealed, then the treatment of investors in the Company and the position of the Company in relation to the EU Savings Directive may be different to that set out above.

(e) *FATCA – USA-Guernsey Intergovernmental Agreement*

On 13 December 2013, the Chief Minister of Guernsey signed an intergovernmental agreement with the US (**US-Guernsey IGA**) regarding the implementation of FATCA, under which certain disclosure requirements will be imposed in respect of certain investors in the Company who are, or being entities are controlled by one or more, residents or citizens of the US. The US-Guernsey IGA is implemented through Guernsey's domestic legislation in accordance with guidance which is currently published in draft form. Accordingly, the full impact of the US-Guernsey IGA on the Company and the Company's reporting responsibilities pursuant to the US-Guernsey IGA as implemented in Guernsey is currently uncertain.

The US Treasury and the IRS issued Notice 2013-43 (**Notice**) on 12 July 2013 which, *inter alia*, refers to the treatment of financial institutions operating in jurisdictions that have signed an intergovernmental agreement to implement FATCA. According to the Notice, a jurisdiction will be treated as having in effect an intergovernmental agreement if the jurisdiction is listed on the US Treasury website as a jurisdiction that is treated as having an intergovernmental agreement in effect. In general, the US Treasury and the IRS intend to include on this list jurisdictions that have signed but have not yet brought into force an intergovernmental agreement. A financial institution resident in a jurisdiction that is treated as having an intergovernmental agreement in effect will be permitted to register on the FATCA registration website. The US-Guernsey IGA is listed on the US Treasury website.

(f) *UK-Guernsey Intergovernmental Agreement*

On 22 October 2013, the Chief Minister of Guernsey signed an intergovernmental agreement with the UK (**UK-Guernsey IGA**) under which certain disclosure requirements are imposed in respect of certain investors in the Company who are resident in the UK or, in the case of entities, are controlled by one or more residents in the UK. The UK-Guernsey IGA is implemented through Guernsey's domestic legislation in accordance with guidance which is currently published in draft form. Accordingly, the full impact of the UK-Guernsey IGA on the Company and its reporting responsibilities pursuant to the UK-Guernsey IGA is currently uncertain.

United Kingdom

The following paragraphs are intended only as a general guide and are based on current legislation and HM Revenue & Customs (HMRC) published practice, which is subject to change at any time (possibly with retrospective effect). They are of a general nature and do not constitute tax advice and apply only to Shareholders who are resident in the UK, who are the absolute beneficial owners of their Shares and who hold their Shares as an investment. They do not address the position of certain classes of Shareholders such as dealers in securities, insurance companies or collective investment schemes.

(a) *The Guernsey Companies*

The Directors intend that the Guernsey Companies will be managed and controlled in such a way that they should not be resident in the United Kingdom for United Kingdom tax purposes. Accordingly, and provided that none of them carry on a trade in the United Kingdom (whether or not through a branch, agency or permanent establishment situated there), the Guernsey Companies will not be subject to United Kingdom income tax or corporation tax other than on any United Kingdom source income. Certain interest and other income received by the Company or any of the Borrowers which has a UK source may be subject to withholding taxes in the UK.

(b) *The New Lessor*

The New Lessor will be a UK incorporated and tax resident company which will be subject to UK corporation tax on its net income, profits and gains. In particular, the New Lessor will be subject to UK corporation tax on the margin that it retains in relation to the rentals received from Thai Airways. UK corporation tax is currently charged at the rate of 20 per cent. on profits and gains.

The New Lessor has been advised that the rental income received pursuant to the Thai Leases should not be subject to a Thai withholding tax. There should be no UK withholding tax on the payments of rental to the Company.

(c) *Shareholders*

Disposal of Shares

The Directors have been advised that the Company should not be an offshore fund for the purposes of UK taxation and the provisions of Part 8 of the Taxation (International and Other Provisions) Act 2010 should not apply. Accordingly, Shareholders (other than those holding Shares as dealing stock, who are subject to separate rules) who are resident in the United Kingdom, or who carry on business in the United Kingdom through a branch, agency or permanent establishment with which their investment in the Company is connected, may, depending on their circumstances and subject as mentioned below, be liable to United Kingdom tax on chargeable gains realised on the disposal of their Shares (which will include any liquidation of the Company).

For individual Shareholders a flat rate of tax at 18 per cent. (for basic rate taxpayers) or at 28 per cent. (for higher and additional rate taxpayers) will be payable on any gain. Individuals may benefit from certain reliefs and allowances (including a personal annual exemption allowance, which presently exempts the first £11,100 (applicable for the tax year 2015/2016) of gains from tax depending on their circumstances. Shareholders which are bodies corporate resident in the United Kingdom for taxation purposes will benefit from indexation allowance which, in general terms, increases the chargeable gains tax base cost of an asset in accordance with the rise in the retail prices index.

Shareholders who are individuals and who are temporarily non-resident in the UK may, under anti-avoidance legislation, still be liable to UK tax on any capital gain realised (subject to any available exemption or relief).

Dividends

Individual Shareholders resident in the United Kingdom for tax purposes will be liable to UK income tax in respect of dividend or other income distributions of the Company. UK resident or ordinarily resident individual Shareholders who are additional rate taxpayers will be liable to income tax at 37.5 per cent., higher rate taxpayers will be liable to income tax at 32.5 per cent. and other individual taxpayers will be liable to income tax at 10 per cent. An individual Shareholder resident in the UK for tax purposes and in receipt of a dividend from the Company will, provided they own (together with

connected persons) less than 10 per cent. of the Company, be entitled to claim a non-repayable dividend tax credit equal to one-ninth of the dividend received.

The effect of the dividend tax credit would be to extinguish any further tax liability for eligible basic rate taxpayers. A higher rate taxpayer will have to account for additional tax equal to 22.5 per cent. of the gross dividend (which also equals 25 per cent. of the net dividend received) and an additional rate taxpayer will have to account for additional tax equal to 27.5 per cent. of the gross dividend (which also equals 30.56 per cent. of the net dividend received).

Shareholders who are bodies corporate resident in the United Kingdom for tax purposes may be able to rely on the UK corporation tax provisions which exempt certain classes of dividends set out in Part 9A of the Corporation Tax Act 2009. It is likely that dividends will fall within one of such exempt classes but Shareholders within the charge to UK corporation tax are advised to consult their independent professional tax advisers to determine whether dividends received will be subject to UK corporation tax.

Stamp duty and Stamp Duty Reserve Tax (SDRT)

The following comments are intended as a guide to the general UK stamp duty and SDRT position and do not relate to persons such as market makers, brokers, dealers, intermediaries and persons connected with depository arrangements or clearance services to whom special rules apply.

No UK stamp duty or SDRT will be payable on the issue of the New Shares.

UK stamp duty (at the rate of 0.5 per cent., rounded up where necessary to the next £5, of the amount of the value of the consideration for the transfer) is payable on any instrument of transfer of Shares executed within, or in certain cases brought into, the UK.

Provided that Shares are not registered in any register of the Company kept in the UK and are not paired with shares issued by a UK company, any agreement to transfer Shares should not be subject to SDRT. The Company does not intend to maintain a share register in the UK.

ISAs

New Shares acquired pursuant to the Placing will not be eligible for inclusion in a stocks and shares ISA. On admission to trading on the SFM, Shares acquired by purchase in the secondary market should be eligible for inclusion in a stocks and shares ISA, subject to applicable subscription limits (£15,240 for the tax year 2015/2016).

Other United Kingdom Tax Considerations

The attention of companies resident in the UK is drawn to the controlled foreign companies legislation contained in Part 9A of the Taxation (International and Other Provisions) Act 2010. Broadly, a charge may arise to UK tax resident companies if the Company is controlled directly or indirectly by persons who are resident in the UK, it has profits which are attributable to its significant people functions and one of the exemptions does not apply.

Individuals resident in the United Kingdom should note that Chapter II of Part XVIII of the Income Tax Act 2007, which contains provisions for preventing avoidance of income tax by transactions resulting in the transfer of income to persons (including companies) abroad, may render them liable to taxation in respect of any undistributed income and profits of the Company.

The attention of Shareholders resident in the United Kingdom is drawn to the provisions of Section 13 of the Taxation of Chargeable Gains Act 1992 (as amended by the Finance Act 2013) under which, in certain circumstances, a portion of capital gains made by the Company can be attributed to a Shareholder who holds, alone or together with associated persons, more than 25 per cent. of the Shares. This applies if the Company is a close company for the purposes of UK taxation. It is not anticipated that the Company would be regarded as a close company if it were resident in the UK although this cannot be guaranteed.

If any Shareholder is in doubt as to his taxation position, he is strongly recommended to consult an independent professional adviser without delay.

7. Memorandum and Articles of Incorporation

7.1 Under the memorandum of incorporation of the Company the objects of the Company are unrestricted. The memorandum of incorporation is available for inspection at the addresses specified in paragraph 13 of this Part XIII of this Prospectus.

7.2 The following is a brief summary of the certain provisions of the Articles of the Company:

The following definitions apply for the purposes of this paragraph only:

articles means the articles of incorporation of the Company as amended from time to time;

Auditors means the auditors from time to time of the Company;

Calculation Time means the earliest of:

- (a) the close of business on the NAV Calculation Date on or immediately prior to the day on which at least 85 per cent. of the Net Proceeds (or such other percentage as the directors shall determine as part of the terms of issue of any tranche of C Shares or otherwise and for these purposes where more than one tranche of C Shares has been issued on the same date the directors may aggregate the Net Proceeds for each tranche in determining the percentage which has been invested or committed to be invested) have been invested or committed to be invested in accordance with the Company's investment policy;
- (b) the close of business on the business day immediately before the day on which Force Majeure Circumstances have arisen or the directors resolve that they are in contemplation; and
- (c) the close of business on such other date as the directors may determine at the date of issue of that tranche of C Shares;

CFTC means the United States Commodity Futures Trading Commission;

CISEA means Channel Islands Securities Exchange Authority Limited;

Commodity Exchange Act means the United States Commodity Exchange Act or any substantially equivalent successor legislation;

Company means DP Aircraft I Limited;

Conversion means in relation to any tranche of C Shares, the conversion (and where relevant, subdivision and/or consolidation and/or a combination of both or otherwise as appropriate) of that tranche of C Shares into new Ordinary Preference Shares on the basis set out in the articles;

Conversion Ratio means the ratio equal to the Net Asset Value per C Share divided by the Net Asset Value per Share calculated in accordance with the articles;

Conversion Time means, in relation to any tranche of C Shares, a time following the Calculation Time, at which the admission of the new Ordinary Preference Shares arising from the conversion of C Shares to trading on London Stock Exchange plc becomes effective, being the opening of business on such business day as may be selected by the directors and falling not more than thirty business days after the Calculation Time or (in the case of Force Majeure Circumstances having arisen or the directors having resolved that they are in contemplation) such earlier date as the directors may resolve;

CREST Rules means rules within the meaning of the relevant CREST Regulations and/or the Financial Services and Markets Act 2000 made by Euroclear as operator of a designated system under or pursuant to Directive 98/26/EC on settlement finality in payment and securities settlement systems;

CREST UK system means the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as operator pursuant to the UK Regulations;

C Share means a share of no par value in the capital of the Company issued as a C Share carrying the rights and being subject to the restrictions set out in the articles;

C Share Surplus means in relation to any tranche of C Shares, the net assets of the Company attributable to the C Shares of that tranche (including for the avoidance of doubt, any income and/or revenue (net of expenses) arising from or relating to such assets) less such proportion of the Company's liabilities as the directors may determine to attribute to the C Shares of that tranche;

dematerialised instruction means an instruction sent or received by means of the CREST UK system;

directors means the directors of the Company for the time being or, as the case may be, the directors assembled as a board;

Disclosure Notice has the meaning set out in sub-paragraph (e)(i) below;

DTR means the Disclosure Rules and Transparency Rules, being in force in the United Kingdom, as amended from time to time;

executed includes any mode of execution;

ERISA means the United States Employee Retirement Income Security Act of 1974, as amended from time to time, and applicable regulations thereunder;

ERISA Plan means (a) an employee benefit plan (as defined in Section 3(3) of ERISA) that is subject to Title I of ERISA, (b) a plan (as defined in Section 4975(e)(1) of the U.S. Tax Code) that is subject to Section 4975 of the U.S. Tax Code, including an individual retirement account or a Keogh plan, or (c) an entity whose underlying assets include plan assets by reason of an employee benefit plan or an investment by a plan described in (a) or (b) in such entity;

Force Majeure Circumstances means in relation to any tranche of C Shares:

- (a) any political and/or economic circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the directors, renders Conversion necessary or desirable (and notwithstanding that less than the appropriate percentage of the Net Proceeds of that tranche have been invested or committed to be invested in accordance with the Company's investment policy);
- (b) the issue of any proceedings challenging or seeking to challenge the power of the Company and/or its directors to issue the C Shares of that tranche with the rights proposed to be attached to them and/or to the persons to whom they are, and/or the terms upon which they are proposed to be issued; or
- (c) the convening of any general meeting of the Company at which a resolution is to be proposed to wind up the Company,

whichever shall happen earliest;

holder or **member** in relation to shares means the member whose name is entered in the register of members as the holder of the shares;

Issue Date means in relation to any tranche of C Shares, the day on which the Company first receives the Net Proceeds;

Law means the Companies (Guernsey) Law, 2008 as amended, extended or replaced and any ordinance, statutory instrument or regulation made thereunder;

memorandum means the memorandum of incorporation of the Company in force from time to time;

NAV Calculation Date means the last business day of each calendar month or such other date as the directors may, in their discretion, determine;

Net Asset Value means the value of the assets of the Company less its liabilities valued in accordance with IFRS or by any other method which the directors may approve or, where the context requires, the part of that amount attributable to a particular class of shares;

Net Asset Value per C Share means the Net Asset Value attributable to the relevant C Share class divided by the number of C Shares in issue;

Net Asset Value per Share means the Net Asset Value attributable to the relevant Ordinary Preference Share class divided by the number of Ordinary Preference Shares in issue;

Net Proceeds means the net cash proceeds of the issue of the C Shares of that tranche (after deduction of all expenses and commissions relating to such issue and payable by the Company);

office means the registered office of the Company at any time;

ordinary resolution means a resolution of the Company adopted by a simple majority in accordance with the Law;

Ordinary Preference Share means an ordinary preference share of no par value in the capital of the Company carrying the rights and obligations set out in the articles;

Regulations means The Uncertificated Securities (Enabling Provisions) Guernsey Law, 2005, The Uncertificated Securities Regulations 2001 (SI 2001 No 3755), as amended by the Uncertificated Securities (Amendment) (Eligible Debt Securities) Regulations 2003 (SI 2003 No. 1633), and such other regulations as are applicable to Euroclear and/or the CREST relevant system and are from time to time in force;

relevant system means a relevant system as defined in the Regulations;

secretary means the secretary of the Company or other person appointed to perform the duties of the secretary of the Company including a joint, assistant or deputy secretary;

SFM means the Specialist Fund Market of London Stock Exchange plc;

share means a share (whether a C Share, Ordinary Preference Share or Subordinated Administrative Share or otherwise) in the capital of the Company each having the rights and obligations set out in the articles;

Share Surplus means the net assets of the Company less the aggregate of all C Share Surpluses;

special resolution means a resolution of the Company adopted as a special resolution in accordance with the Law;

Sponsor means in relation to a Sponsored Member, the CREST sponsor identified in the CREST Admission Agreement or such other CREST sponsor as has been accepted by Euroclear from time to time as the Sponsored Member's CREST sponsor (other than a CREST central sponsor) in accordance with the CREST Requirements;

uncertificated means a unit of a Guernsey security title to which is recorded on the relevant register of securities as being held in uncertificated form and title to which may be transferred by means of the CREST UK system; and **certificated** means a unit of a security which is not an uncertificated unit;

U.S. Investment Company Act means the United States Investment Company Act of 1940 as amended or any substantially equivalent successor legislation;

U.S. Person means a person or entity that is a U.S. Person as defined in Regulation S of the U.S. Exchange Act and that is not a Non-U.S. Person as defined under Rule 4.7 of the Commodity Exchange Act; and

U.S. Tax Code means the United States Internal Revenue Code of 1986, as amended.

(a) **Ordinary Preference Shares**

(i) *Dividends*

Holders of Ordinary Preference Shares are entitled to participate in any dividends and other distributions of the Company other than in relation to assets attributable to any class of C Share.

(ii) *Winding up*

On a winding up of the Company the holders of Ordinary Preference Shares shall have the rights set out in the articles, as summarised in sub-paragraph (d)(ii) below.

(iii) *Voting*

Holders of Ordinary Preference Shares shall have the right to receive notice of and to attend, speak and vote at general meetings of the Company and each holder being present in person or by proxy shall upon a show of hands have one vote and upon a poll one vote in respect of every Ordinary Preference Share held by him.

(b) **Subordinated Administrative Shares**

(i) *Dividends*

Holders of Subordinated Administrative Shares are not entitled to participate in any dividends and other distributions of the Company.

(ii) *Winding up*

On a winding up of the Company the holders of the Subordinated Administrative Shares shall have the rights set out in the articles, as summarised in sub-paragraph (d)(ii) below.

(iii) *Voting*

Holders of Subordinated Administrative Shares shall not have the right to receive notice of and have no right to attend, speak and vote at general meetings of the Company except if there are no Ordinary Preference Shares in existence.

(c) **C Shares**

(i) Subject to the Law, the directors shall be authorised to issue C Shares in tranches denominated in such currency and on such terms as they determine and convertible into such class of shares as the directors determine at the time of issue provided that such terms are consistent with the provisions of the articles. The directors shall, on the issue of each tranche of C Shares, determine the latest Calculation Time and Conversion Time together with any amendments to the definition of Conversion Ratio attributable to each such tranche, provided that such determination shall not prevent the directors from making such further amendments to the definition of Conversion Ratio as they in their absolute discretion see fit to deal with unforeseen or unprovided for circumstances thereafter.

(ii) Each tranche of C Shares, if in issue at the same time, shall be deemed to be a separate class of shares even where such tranches are to be converted into new Ordinary Preference Shares of the same class. The directors may, if they so decide, designate each tranche of C Shares in such manner as they see fit in order that each tranche of C Shares can be identified.

(iii) The C Shares shall be issued on terms that each tranche of C Shares shall be redeemable by the Company in accordance with the terms set out in the articles, as summarised in sub-paragraph (c)(v) below.

(iv) C Shares of the relevant tranche shall be consolidated and/or sub-divided and/or re-designated and/or a combination of any of them or otherwise (as the directors consider appropriate) and converted into new Ordinary Preference Shares at the Conversion Time in accordance with the provisions of the articles.

- (v) At any time prior to Conversion, the Company may, at its discretion, redeem all or any of the C Shares of that tranche then in issue by agreement with any holder(s) thereof in accordance with such procedures as the directors may determine (subject to the facilities and procedures of the CREST UK system and any other relevant system) and in consideration of the payment of such redemption price as may be agreed between the Company and the relevant C Shareholder(s).
- (vi) Until Conversion and without prejudice to its obligations under the Law, the Company shall in relation to each tranche of C Shares:
 - (A) procure that the Company's records and bank accounts be operated so that the assets attributable to the C Shares of the relevant tranche can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the Company shall procure that separate cash accounts, broker settlement accounts and investment ledger accounts be created and maintained for the assets attributable to the C Shares of the relevant tranche;
 - (B) allocate to the assets attributable to the C Shares of the relevant tranche such proportion of the income, expenses and liabilities of the Company incurred or accrued between the Issue Date and the Calculation Time (both inclusive) as the directors fairly consider to be attributable to the C Shares of the relevant tranche; and
 - (C) if applicable, give appropriate instructions to the administrator of the Company (if any) that may have been appointed to manage the Company's assets so that such undertakings can be complied with by the Company.
- (vii) In relation to each tranche of C Shares, the C Shares shall be converted into Ordinary Preference Shares of the relevant class at the applicable Conversion Time in accordance with the following provisions of this paragraph:
 - (A) the directors shall procure that within thirty business days of the applicable Calculation Time:
 - (1) the Conversion Ratio as at the Calculation Time and the number of new Ordinary Preference Shares of the relevant class to which each holder of C Shares of that tranche shall be entitled on Conversion shall be calculated; and
 - (2) the directors shall review the calculation of the Conversion Ratio (and they may in their discretion request the Auditors to review whether such calculations have been performed in accordance with the articles and are arithmetically accurate) whereupon such calculations shall become final and binding on the Company and all holders of Ordinary Preference Shares and C Shares;
 - (B) the directors shall procure that as soon as practicable following such review and in any event within thirty business days of the Calculation Time, an announcement is made to a Regulatory Information Service advising holders of C Shares of that tranche of the Conversion Time and the Conversion Ratio;
 - (C) Conversion of C Shares shall take place at the applicable Conversion Time. On Conversion, the issued C Shares of the relevant tranche shall automatically convert (by sub-division and/or consolidation and/or re-designation and/or a combination of any of them or otherwise as appropriate) into such number of new Ordinary Preference Shares of the relevant class (such conversion being deemed to be authorised by the resolution creating the C Shares) as equals the aggregate number of C Shares of the relevant tranche in issue at the Calculation Time multiplied by the Conversion Ratio (rounded down to the nearest whole new Ordinary Preference Share);
 - (D) the new Ordinary Preference Shares arising upon Conversion of C Shares of any tranche shall be divided amongst the former holders of C Shares of that tranche pro rata according to their respective former holdings of C Shares of the relevant tranche (provided always that the directors may deal in such manner as they think fit with fractional entitlements to new Ordinary Preference Shares including, without prejudice to the generality of the foregoing, selling any such Ordinary Preference Shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company or redeeming such fractional entitlements for a nominal amount (and

without any obligation to account for such redemption amount to any person)) and for such purposes any director is authorised as agent on behalf of the former holders of C Shares to do any other act or thing as may be required to give effect to the same including, in the case of a share in certificated form, to execute any stock transfer form and, in the case of a share in uncertificated form, the giving of directions to or on behalf of the former holders of C Shares who shall be bound by them;

- (E) forthwith upon Conversion, any share certificates relating to the C Shares of the relevant tranche shall be cancelled and the Company shall issue to each such former holder of C Shares new certificates in respect of the new Ordinary Preference Shares which have arisen upon Conversion unless such former C Shareholder elects (or is deemed to have elected) to hold their new Ordinary Preference Shares in uncertificated form;
- (F) the Company will use its reasonable endeavours to procure that upon Conversion, the new Ordinary Preference Shares are admitted to trading on the SFM;
- (G) the directors shall be entitled to make such amendments to the process of Conversion as they, in their absolute discretion, see fit to facilitate Conversion including, in particular, by applying the Conversion Ratio to each individual holding of C Shares for the purpose of calculating the number of new Ordinary Preference Shares arising on Conversion of such C Shares (and rounding down fractions of new Ordinary Preference Shares so arising to the nearest whole number where appropriate).

(viii) Without prejudice to the generality of the articles, until Conversion the consent of the holders of the C Shares as a class (irrespective of what tranche they may be) shall be required for:

- (A) any alteration to the memorandum or the articles of the Company; or
- (B) the passing of any resolution to wind up the Company,

provided that where any such alteration to the memorandum or articles of the Company has been made public prior to applications being invited by the Company (or on its behalf) to subscribe for C Shares, the consent of any C Shares subsequently issued shall not be required to any such alteration.

(ix) Notwithstanding the provisions of the articles summarised at sub-paragraphs (j)(i), (p)(i) and (q):

- (A) the holders of any tranche of C Shares are entitled to participate in any dividends and other distributions of the Company as the directors may resolve to pay to such holders out of the assets attributable to such shares;
- (B) subject to the terms of the articles, the new Ordinary Preference Shares of the relevant class arising on Conversion shall rank *pari passu* with the outstanding Ordinary Preference Shares of the relevant class in issue at the Conversion Time;

(x) If any C Shares are outstanding as at the time of a winding up or a return of capital (other than by way of a purchase of own shares by the Company) the capital and assets of the Company shall on a winding up or on a return of capital (other than by way of a purchase of own shares by the Company) be applied as follows:

- (A) the Share Surplus shall be divided amongst the holders of Ordinary Preference Shares according to the rights attaching thereto as if the Share Surplus comprised the assets of the Company available for distribution; and
- (B) the C Share Surplus attributable to each relevant C Share class shall be divided amongst the holders of C Shares of such class pro rata according to their holdings of the relevant C Share class.

(xi) Except as provided in the provisions of the articles as summarised in sub-paragraph (c)(viii) above and sub-paragraph (d) below, the C Shares shall not carry any right to attend or vote at any general meeting of the Company.

(xii) The C Shares shall be transferable in the same manner as the Ordinary Preference Shares.

(d) **Share Capital**

- (i) The Company may issue an unlimited number of shares of a par value and/or no value or a combination of both. Shares may be denominated in any currency and different classes of shares may be denominated in different currencies (or no currency in the case of shares of no par value).
- (ii) Subject to the articles, as summarised in sub-paragraph (c)(x) above, in the event of a winding up of the Company the surplus assets of the Company available for distribution to holders after payment of all other debts and liabilities of the Company shall be applied in the following manner and order of priority:
 - (A) first, in paying to each holder of Ordinary Preference Shares in respect of each Ordinary Preference Share of which it is the holder a sum equal to the amount paid up or credited as paid up thereon;
 - (B) second, in paying to each holder of Subordinated Administrative Shares in respect of each Subordinated Administrative Share of which it is the holder a sum equal to the amounts paid up or credited as paid up thereon; and
 - (C) third, the balance of such assets (if any) shall be distributed amongst the holders of the Ordinary Preference Shares (in proportion to the number of Ordinary Preference Shares held by them).
- (iii) Subject to the provisions of the Law and without prejudice to any rights attached to any existing shares or class of shares or to the provisions of the articles, any share may be issued with such preferred deferred conversion or other rights or restrictions as the Company may by ordinary resolution direct, subject to or in default of any such direction, as the directors may determine.
- (iv) The Company may issue fractions of shares and any such fractional shares shall rank *pari passu* in all respects with the other shares of the same class issued by the Company.
- (v) The Company may from time to time hold its own shares as treasury shares.
- (vi) The Company may acquire its own shares. Any such shares acquired by the Company may be cancelled or may be held as treasury shares, subject to and in accordance with the Law.
- (vii) Subject to the provisions of the Law, the Company and any of its subsidiary companies may give financial assistance, as defined in the Law, directly or indirectly for the purposes of or in connection with the acquisition of its shares.
- (viii) The Company may issue shares which are, or at the option of the Company or the holder are, liable to be redeemed and convert all or any class of its shares into redeemable shares.
- (ix) The Company may issue shares which do not entitle the holder to voting rights in any general meeting or entitle the holder to restricted voting rights in any general meeting.
- (x) Whenever the capital of the Company is divided into different classes of shares the rights attached to any class may (subject to the terms of issue of the shares of that class) be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding-up:
 - (A) with the consent in writing of the holders of at least 75 per cent. of the issued shares of that class; or
 - (B) with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

All the provisions of the articles relating to general meetings of the Company or to the proceedings thereat shall, *mutatis mutandis*, apply to every such separate meeting except that, in accordance with the Law:

- (A) the necessary quorum shall be two persons present holding or representing by proxy at least one-third of the voting rights of the class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, one person present holding shares of the relevant class shall be a quorum) provided always that where the class has only one member, that member shall constitute the necessary quorum;
 - (B) any holder of shares of the class in question may demand a poll.
- (xi) The special rights conferred upon the holders of any shares or class of shares issued with preferred, deferred or other rights shall (unless otherwise expressly provided by the terms of issue of such shares) be deemed not to be varied by the creation or issue of further shares ranking *pari passu* therewith and, for the avoidance of doubt, the issue of C Shares shall not be treated as varying the rights attaching to Ordinary Preference Shares and the issue of Ordinary Preference Shares shall not be treated as varying the rights attaching to C Shares or by the exercise of any power under the disclosure provisions requiring holders of shares to disclose an interest in the Company's shares pursuant to the articles, as summarised in sub-paragraphs (e)(i), (e)(ii) and (e)(iii) below.
- (xii) Subject to the provisions of the Law, the articles, and any resolution of the Company, the directors have general and unconditional authority:
 - (A) to allot, issue (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of unissued shares of the Company or rights to subscribe or convert any security into shares; or
 - (B) to sell, transfer or cancel any treasury shares held by the Company,

in any such case to such persons, at such times and on such terms and conditions as the directors may decide. Without limiting this article, the directors may designate the unissued shares upon issue as Ordinary Preference Shares, Subordinated Administrative Shares or C Shares or such other class or classes of shares (and denominated in any currency or currencies as the directors may determine) or as shares with special or other rights as the directors may then determine.
- (xiii) Subject to the provisions of the Law, the authority of the directors to issue shares shall be unlimited; but to the extent that the authority of the directors to issue shares is at any time limited by the Law, the maximum amount of shares which may be issued by resolution of the directors shall be £1,000,000,000 (or options, warrants, or other rights in respect of shares including, without limitation, Ordinary Preference Shares, C Shares and Subordinated Administrative Shares) or such other amount as may from time to time be authorised by the Company and such authority shall remain in force for a period of five years from the date of incorporation of the Company but may be revoked, varied or renewed from time to time by the Company in accordance with the Law provided always that the Company, before the authority expires, may make an offer or agreement which would or might require shares to be issued or rights to be granted after it expires.
- (xiv) The Company may exercise the powers of paying commissions and in such an amount or at such a percentage rate as the directors may determine. Subject to the provisions of the Law any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.
- (xv) Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by the articles or by law) the Company shall not be bound by or recognise (even when having notice thereof) any interest in any share except an absolute right to the entirety thereof in the holder.
- (e) **Disclosure Notice**
 - (i) The Company may, by notice in writing (a **Disclosure Notice**) require a person whom the Company knows to be or has reasonable cause to believe is or, at any time during the 3

years immediately preceding the date on which the Disclosure Notice is issued, to have been interested in any shares:

- (A) to confirm that fact or (as the case may be) to indicate whether or not it is the case; and
 - (B) to give such further information as may be required in accordance with the articles, as summarised in sub-paragraph (e)(ii) below.
- (ii) A Disclosure Notice may (without limitation) require the person to whom it is addressed:
- (A) to give particulars of the person's status (including whether such person constitutes or is acting on behalf of or for the benefit of an ERISA Plan or is a U.S. Person), domicile, nationality and residency;
 - (B) to give particulars of his own past or present interest in any shares (held by him at any time during the 3 year period specified in the articles, as summarised in paragraph (e)(i) above) and the nature of such interest;
 - (C) to disclose the identity of any other person who has a present interest in the shares held by him (held by him at any time during the 3 year period specified in the articles);
 - (D) where the interest is a present interest and any other interest in any shares subsisted during that 3 year period at any time when his own interest subsisted, to give (so far as is within his knowledge) such particulars with respect to that other interest as may be required by the Disclosure Notice; and
 - (E) where his interest is a past interest to give (so far as is within his knowledge) like particulars of the identity of the person who held that interest immediately upon his ceasing to hold it.
- (iii) Any Disclosure Notice shall require any information in response to such notice to be given within the prescribed period (which is 28 days after service of the notice or 14 days if the shares concerned represent 0.25 per cent. or more in number of the issued shares of the relevant class) or such other reasonable period as the directors may determine.
- (iv) If any member is in default in supplying to the Company the information required by the Company within the prescribed period or such other reasonable period as the directors determine, the directors in their absolute discretion may serve a direction notice on the member (a **Direction Notice**). The Direction Notice may direct that in respect of the shares in respect of which the default has occurred (the **Default Shares**) the member shall not be entitled to vote in general meetings or class meetings. Where the Default Shares represent at least 0.25 per cent. in number of the class of shares concerned the Direction Notice may additionally direct that dividends on such shares will be retained by the Company (without interest) and that no transfer of the Default Shares (other than a transfer authorised under the articles) shall be registered until the default is rectified. Subject always to the rules of the CREST UK system, any other relevant system from which transfers of shares are settled, the London Stock Exchange in respect of the Default Shares, where the directors have any grounds to believe that such Default Shares, are held by or for the benefit of or by persons acting on behalf of an ERISA Plan or U.S. Persons, the directors may at their discretion deem the Default Shares to be held by, or on behalf of or for the benefit of, an ERISA Plan or a U.S. Person (as the directors may determine) and that the provisions of the articles, as summarised in sub-paragraph (g)(vi) below, should apply to such Default Shares.
- (f) **Untraced Shareholders**
- The Company may sell the share of a member or of a person entitled by transmission at the best price reasonably obtainable at the time of sale if, in accordance with the terms of the articles, that person has not claimed or accepted dividends declared over a period of time and has not responded to advertisements of the Company.

(g) **Transfer of Shares**

- (i) Subject to the terms of the articles, any member may transfer all or any of his certificated shares by an instrument of transfer in any usual form or in any other form which the directors may approve. An instrument of transfer of a certificated share shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee. The directors may, without assigning any reasons therefor, refuse to register the transfer of a certificated share (whether fully paid or not) unless the instrument of transfer is lodged at the office or at such other place as the directors may appoint and is accompanied by any certificates for the shares to which it relates and such other evidence as the directors may require to show the right of the transferor to make the transfer.
- (ii) Subject to the terms of the articles, any member may transfer all or any of his uncertificated shares by means of a relevant system authorised by the directors in such manner provided for, and subject as provided, in the Regulations or such as may otherwise from time to time be adopted by the directors on behalf of the Company and the rules of any relevant system and accordingly no provision of the articles shall apply in respect of an uncertificated share to the extent that it requires or contemplates the effecting of a transfer by an instrument in writing or the production of a certificate for the shares to be transferred. The directors may only decline to register a transfer of an uncertificated share in the circumstances set out in the Regulations or such as may otherwise from time to time be adopted by the directors on behalf of the Company or the rules of any relevant system, or where, in the case of a transfer to joint holders, the number of joint holders to whom the uncertificated share is to be transferred exceeds four.
- (iii) The directors shall have power to implement such arrangements as they may, in their absolute discretion, think fit in order for any class of shares to be admitted to settlement by means of the CREST UK system.
- (iv) Subject to the CREST Guernsey Requirements and/or the rules of any other relevant system, the registration of transfers may be suspended by giving such notices as may be required by the rules of any relevant system at such times and for such periods (not exceeding thirty days in any year) as the directors may determine.
- (v) No fee shall be charged for the registration of any instrument of transfer or, subject as otherwise provided in the articles, any other document relating to or affecting the title to any share.
- (vi) If it shall come to the notice of the directors that any shares:
 - (A) are or may be owned or held directly or beneficially by any person whose ownership or holding or continued ownership or holding of those shares (whether on its own or in conjunction with any other circumstance appearing to the directors to be relevant) might in the reasonable opinion of the directors cause or be likely to cause the assets of the Company to be considered plan assets for the purposes of ERISA; or
 - (B) are or may be owned or held directly or beneficially such that the aggregate number of U.S. Persons who are holders or beneficial owners (which for these purposes shall include beneficial ownership by attribution pursuant to Section 3(c) (1) (A) of the Investment Company Act) of shares or other securities of the Company is or may be more than 75; or
 - (C) are or may be owned or held directly or beneficially by any person to whom a transfer of shares or whose ownership or holding of any shares might in the opinion of the directors:
 - (1) cause the Company to be required to register as an investment company under the U.S. Investment Company Act (including because the holder of the shares in the Company is not a “qualified purchaser” as defined in the U.S. Investment Company Act) or to lose an exemption or status thereunder to which it might otherwise be entitled;

- (2) cause the Company to have to register under the U.S. Exchange Act or any similar legislation;
- (3) cause the Company not to be considered as “foreign private issuer” as such term is defined in rule 3b-4(c) under the U.S. Exchange Act;
- (4) result in a person holding shares in the Company in violation of the transfer restrictions set forth in any prospectus published by the Company from time to time;
- (5) cause the Company to be a “controlled foreign corporation” for the purposes of the U.S. Tax Code;
- (6) result in the Company losing or forfeiting or not being able to claim the benefit of any exemption under the Commodity Exchange Act or the rules of the CFTC or the National Futures Association or analogous legislation or regulation or becoming subject to any unduly onerous filing, reporting or registration requirement; or
- (7) otherwise result in the Company incurring a liability to taxation or suffering any pecuniary, fiscal, administrative or regulatory or similar disadvantage,

the directors may (i) refuse to register a transfer of shares which would result in those shares being subject to the provisions of the articles summarised in sub-paragraphs (g)(vi)(A), (g)(vi)(B) or (g)(vi)(C) above and/or (ii) serve a notice (a **Transfer Notice**) upon the person (or any one of such persons where shares are registered in joint names) appearing in the register as the holder (the **Vendor**) of any of the shares concerned (the **Relevant Shares**) requiring the Vendor within twenty-one days (or such extended time as in all the circumstances the directors consider reasonable) to transfer (and/or procure the disposal of interests in) the Relevant Shares to another person who, in the sole and conclusive determination of the directors, would not fall within the provisions of the articles summarised in sub-paragraphs (g)(vi)(A), (g)(vi)(B) or (g)(vi)(C) above and whose ownership or holding of such shares would not result in the aggregate number of U.S. Persons who are beneficial owners or holders of shares or other securities of the Company being 75 or more (such a person being hereinafter called an **Eligible Transferee**). On and after the date of such Transfer Notice, and until registration of a transfer of the Relevant Share to which it relates pursuant to the provisions referred to in this sub-paragraph or sub-paragraph (g)(vii) below, the rights and privileges attaching to the Relevant Shares will be suspended and not capable of exercise.

- (vii) If within twenty-one days after the giving of a Transfer Notice (or such extended time as in all the circumstances the directors consider reasonable) the Transfer Notice has not been complied with to the satisfaction of the directors, the Company may sell the Relevant Shares on behalf of the holder of them by instructing a member of the London Stock Exchange to sell them on arm’s length terms to any Eligible Transferee or Eligible Transferees. For this purpose the directors may authorise in writing any officer or employee of the Company or any officer or employee of the secretary of the Company or of any manager that may be appointed to transfer the Relevant Shares on behalf of the holder of them to the purchaser or purchasers and an instrument of transfer executed by that person will be as effective as if it had been executed by the holder of, or the person entitled by transmission to, the Relevant Shares. The purchaser will not be bound to see the application of the purchase monies nor will its title to the Relevant Shares be affected by an irregularity or invalidity in the proceedings relating to the sale or by the price at which the Relevant Shares are sold. The net proceeds of the sale of the Relevant Shares will be received by the Company, whose receipt will be a good discharge for the purchase moneys, and will belong to the Company and, upon their receipt, the Company will become indebted to the former holder of, or person entitled by transmission to, the Relevant Shares for an amount equal to the net proceeds of transfer upon surrender by it or them, in the case of certificated Shares, of the certificate for the Relevant Shares which the Transferor shall immediately be obliged to deliver to the Company. No trust will be created in respect of the debt and no interest will be payable in respect of it. The Company will pay to the Transferor at its discretion or on demand by the Transferor the proceeds of transferring the

Relevant Shares (less costs and expenses) but otherwise the Company will not be required to account for any money secured from the net proceeds of transfer which may be employed in the business of the Company or as it thinks fit. The Company may register the transferee as holder or holders of the Relevant Shares at which time the transferee will become absolutely entitled to them.

- (viii) A person who becomes aware that it falls within either the provisions of the articles summarised in sub-paragraphs (g)(vi)(A), (g)(vi)(B) or (g)(vi)(C) above or, being a U.S. Person and a beneficial owner or holder of shares, becomes aware that the aggregate number of U.S. Persons who are beneficial owners or holders of shares or other securities of the Company is more than 75, shall forthwith, unless it has already received a Transfer Notice pursuant to the provisions of the articles summarised in sub-paragraph (g)(vi) above either transfer the shares to one or more Eligible Transferees or give a request in writing to the directors for the issue of a Transfer Notice in accordance with the provisions of the articles summarised in sub-paragraph (g)(vi) above. Every such request shall, in the case of certificated shares, be accompanied by the certificate(s) for the shares to which it relates.
 - (ix) Subject to the provisions of the articles, the directors will, unless any director has reason to believe otherwise, be entitled to assume without enquiry that none of the shares are held in such a way as to entitle the directors to serve a Transfer Notice in respect thereof. The directors may, however, at any time and from time to time call upon any holder (or any one of joint holders) of shares by notice in writing to provide such information and evidence as they require upon any matter connected with or in relation to such holder of shares. In the event of such information and evidence not being so provided within such reasonable period (not being less than twenty-one days after service of the notice requiring the same) as may be specified by the directors in the said notice, the directors may, in their absolute discretion, treat any share held by such a holder or joint holders as being held in such a way as to entitle them to serve a Transfer Notice in respect of such share.
 - (x) The directors will not be required to give any reasons for any decision, determination or declaration taken or made in accordance with these provisions. The exercise of the powers conferred by the provisions of the articles summarised in sub-paragraphs (g)(vi) and/or (g)(vii) and/or (g)(viii) and/or (g)(ix) above may not be questioned or invalidated in any case on the grounds that there was insufficient evidence of direct or beneficial ownership or holding of shares by any person or that the true direct or beneficial owner or holder of any shares was otherwise than as appeared to the directors at the relevant date provided that the said powers have been exercised in good faith.
 - (xi) Uncertificated shares of a class are not to be regarded as forming a separate class from certificated shares of that class.
- (h) **Alteration of Capital**
- The Company may by ordinary resolution alter its share capital, including, *inter alia*, consolidating share capital, sub-dividing shares, cancelling untaken shares, converting shares into shares of a different currency and denominating or redenominating the currency of share capital.
- (i) **Notice of General Meetings**
- Any general meeting shall be called by at least ten days' notice. A general meeting may be deemed to have been duly called by shorter notice if it is so agreed by all the members entitled to attend and vote thereat. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at the meeting.
- (j) **Votes of Members**
- (i) Subject to any rights or restrictions attached to any shares, on a show of hands every member present in person or by proxy (or in the case of corporations, present by a duly authorised representative) shall have one vote and on a poll every member present in person or by proxy (or in the case of corporations, present by a duly authorised representative) shall have one vote for every share of which he is the holder.

- (ii) Unless the board otherwise decides, no member shall be entitled to vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all calls and other sums presently payable by him in respect of that share have been paid.
 - (iii) No person shall be entitled to vote in respect of any shares that he has acquired unless he has been registered in the register as their holder.
 - (iv) No member of the Company shall, if the directors so determine, be entitled in respect of any share held by him to attend or vote (either personally or by representative or by proxy) at any general meeting or separate class meeting of the Company or to exercise any other right conferred by membership in relation to any such meeting if he or any other person appearing to be interested in such shares has failed to comply with a Disclosure Notice within 14 days, in a case where the shares in question represent at least 0.25 per cent. of their class, or within 28 days, in any other case, from the date of such Disclosure Notice. These restrictions will continue until the information required by the notice is supplied to the Company or until the shares in question are transferred or sold in circumstances specified for this purpose in the articles.
- (k) **Powers of Directors**
- Subject as hereinafter provided, the directors may exercise all the powers of the Company to borrow or raise money (including the power to borrow for the purpose of redeeming shares) and secure any debt or obligation of or binding on the Company in any manner including by the issue of debentures (perpetual or otherwise) and to secure the repayment of any money borrowed raised or owing by mortgage charge pledge or lien upon the whole or any part of the Company's undertaking property or assets (whether present or future) and also by a similar mortgage charge pledge or lien to secure and guarantee the performance of any obligation or liability undertaken by the Company or any third party.
- (l) **Appointment and Retirement of Directors**
- (i) Subject to the Law and the articles, the directors shall have power at any time, and from time to time, without sanction of the Company in general meeting, to appoint any person to be a director, either to fill a casual vacancy or as an additional director. Any director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-appointment. Subject to the Law and the articles, the Company may by ordinary resolution appoint any person as a director; and remove any person from office as a director.
 - (ii) A director may resign from office as a director by giving notice in writing to that effect to the Company at its office, which notice shall be effective upon such date as may be specified in the notice, failing which upon delivery to the registered office.
 - (iii) One third of the directors (rounded down to the nearest whole number) shall retire by rotation at each annual general meeting of the Company. Such directors may be reappointed.
 - (iv) There is no age limit at which a director is required to retire.
- (m) **Disqualification and Removal of Directors**
- (i) A director shall not be required to hold any qualification shares.
 - (ii) The office of a director shall be vacated if he ceases to be a director by virtue of any provision of the Law or he ceases to be eligible to be a director in accordance with the Law; or he has his affairs declared en désastre, becomes bankrupt or makes any arrangement or composition with his creditors generally or otherwise has any judgment executed on any of his assets; or he becomes of unsound mind or incapable or an order is made by a court having jurisdiction (whether in Guernsey or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator or other person to exercise powers with respect to his property or affairs; or he shall have

absented himself from meetings of the directors for a consecutive period of 12 months and the directors resolve that his office shall be vacated; or he dies; or he resigns his office by notice to the Company; or the Company so resolves by ordinary resolution; or where there are more than two directors, all the other directors request him to resign in writing; or he becomes resident for tax purposes in the United Kingdom and, as a result, a majority of the directors are resident for tax purposes in the United Kingdom.

(n) **Remuneration of Directors**

Unless otherwise determined by the Company by ordinary resolution, the directors shall be remunerated for their services at such rate as the directors shall determine provided that the aggregate amount of such fees shall not exceed the annual equivalent of £200,000 per annum (or such sum as the Company in general meeting shall from time to time determine).

(o) **Directors' Appointments and Interests**

- (i) Subject to the provisions of the Law, the directors may appoint one or more of their number to the office of managing director or to any other executive office upon such terms as they determine.
- (ii) Subject to and in accordance with the Law, a director must, immediately after becoming aware of the fact that he is interested in a transaction or proposed transaction with the Company, disclose that fact to the directors.
- (iii) For the purposes of the article summarised in sub-paragraph (o)(ii) a general disclosure given to the directors to the effect that a director has an interest (as director, officer, employee, member or otherwise) in a party and is to be regarded as interested in any transaction which may after the date of the disclosure be entered into with that party shall be deemed to be sufficient disclosure of his interest in any such transaction or arrangement.
- (iv) The requirement summarised in sub-paragraph (o)(ii) above does not apply if the transaction proposed is between a director and the Company, or if the Company is entering into the transaction in the ordinary course of business on usual terms.
- (v) A director may not vote or be counted in the quorum on a resolution of the board or committee of the board concerning a contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he has an interest which (together with any interest of any person connected with him) is, to his knowledge, a material interest (otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company) but, in the absence of some other material interest than is mentioned below, this prohibition does not apply to a resolution concerning any of the following matters:
 - (A) the giving of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiaries;
 - (B) the giving of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity by the giving of security;
 - (C) a contract, arrangement, transaction or proposal concerning an offer of shares, debentures or other securities of the Company or any of its subsidiaries for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
 - (D) a contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning another company (including any subsidiary of the Company) in which he (and any persons connected with him) is interested and whether as an officer, shareholder, creditor or otherwise, if he (and any persons connected with him) does not to his knowledge hold an interest in shares representing one per cent. or

more of either class of the equity share capital of or the voting rights in the relevant company (or of any other company through which his interest is derived);

- (E) a contract, arrangement, transaction or proposal for the benefit of employees of the Company or any of its subsidiaries which only awards him a privilege or benefit generally accorded to the employees to whom it relates; and
 - (F) a contract, arrangement, transaction or proposal concerning the purchase or maintenance of any insurance policy for the benefit of directors or for the benefit of persons including directors.
- (vi) For the purposes of this article a person shall be treated as being connected with a director if that person is:
- (A) a spouse, child (under the age of eighteen) or step child (under the age of eighteen) of the director; or
 - (B) an associated body corporate which is a company in which the director alone, or with connected persons, is directly or indirectly beneficially interested in 20 per cent. or more of the value of the equity share capital or is entitled (alone or with connected persons) to exercise or control the exercise of more than 20 per cent. of the voting power at general meetings; or
 - (C) a trustee (acting in that capacity) of any trust, the beneficiaries of which include the director or persons falling within paragraphs (A) and (B) above excluding trustees of an employees' share scheme or pension scheme; or
 - (D) a partner (acting in that capacity) of the director or persons in paragraphs (A) to (C) above.
- (vii) A director, notwithstanding his interest, may be counted in the quorum present at any meeting whereat he or any other director is appointed to hold any such office or place of profit under the Company, or whereat the terms of any such appointment are arranged or whereat any contract between the director and the Company are considered, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof. Where proposals are under consideration concerning the appointment (including without limitation fixing or varying the terms of appointment or its termination) of two or more directors to offices or places of profit with the Company or a company in which the Company is interested, such proposals shall be divided and a separate resolution considered in relation to each director. In such case each of the directors concerned (if not otherwise debarred from voting under these provisions) is entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
- (viii) A director may hold any other office or place of profit under the Company (other than the Auditor) in conjunction with his office of director for such period and on such terms (as to remuneration and otherwise) as the board may determine and no director or intending director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such office or place of profit or as vendor, purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any director so contracting or being so interested be liable to account to the Company for any profits realised by any such contract or arrangement by reason of such director holding that office or of the fiduciary relationship thereby established.
- (ix) Any director may act by himself or his firm in a professional capacity for the Company (other than Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director.
- (x) Any director may continue to be or become a director, managing director, manager or other officer or member of any company promoted by the Company or in which the Company may be interested, and any such director shall not be accountable to the Company for any remuneration or other benefits received by him as director, managing

director, manager or other officer or member of any such company. The directors may exercise the voting power conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of such other company, in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, managers or other officers of such company, or voting or providing for the payment of remuneration to themselves as directors, managing directors, managers or other officers of such company) and any director of the Company may vote in favour of the exercise of such voting rights in the manner aforesaid, notwithstanding that he may be or be about to be appointed a director, managing director, manager or other officer of such company, and as such is or may become interested in the exercise of such voting rights in manner aforesaid.

- (xi) If a question arises at a meeting as to the materiality of a director's interest (other than the interest of the chairman of the meeting) or as to the entitlement of a director (other than the chairman) to vote or to be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be referred to the chairman and his ruling in relation to the director concerned is conclusive and binding on all concerned.
 - (xii) If a question arises at a meeting as to the materiality of the interest of the chairman of the meeting or as to the entitlement of the chairman to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be decided by resolution of the directors or committee members present at the meeting (excluding the chairman) whose majority vote is conclusive and binding on all concerned.
- (p) ***Dividends and Distributions***
- (i) Subject to the provisions of the Law and the articles, the Company may by ordinary resolution declare dividends and/or make distributions in accordance with the respective rights of the members and subject to provisions of the articles summarised in subparagraph (p)(iv) below and to any special rights to dividends or other relevant rights or remedies set out in the terms of issue of any class of shares.
 - (ii) No dividend or other distribution shall exceed the amount recommended by the directors.
 - (iii) Subject to the provisions of the Law, and the articles, the directors may from time to time pay interim dividends and/or distributions if it appears to them that they are justified by the assets of the Company.
 - (iv) Except as otherwise provided by the rights attached to shares, all dividends or other distributions shall be declared and paid according to the amounts paid up on shares on which the dividend or other distribution is paid. All dividends or other distributions shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend or other distribution is paid, but, if any share is issued on terms providing that it shall rank for dividend or other distribution as from a particular date, that share shall rank for dividend or other distribution accordingly. Any resolution declaring a dividend or a distribution on a share, whether a resolution of the Company in general meeting or a resolution of the directors, may specify that the same shall be payable to the person registered as the holders of the shares at the close of business on a particular date notwithstanding that it may be a date prior to that on which the resolution is passed and thereupon the dividend or distribution shall be payable to such persons in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend or distribution of transferors and transferees of any such shares.
 - (v) A general meeting declaring a dividend or other distribution may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of

any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.

- (vi) The directors may deduct from any dividend or other distribution, or other moneys payable to any member on or in respect of a share, all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
 - (vii) All unclaimed dividends or other distributions may be invested or otherwise made use of by the directors for the benefit of the Company until claimed and the Company shall not be constituted a trustee thereof. Any dividend or other distribution which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company. No dividend or other distribution or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.
 - (viii) The directors are empowered to create reserves before recommending or declaring any dividend. The directors may also carry forward any profits which they think prudent not to divide.
- (q) **Winding Up**
- (i) Upon a winding up of the Company the assets available for distribution to members, shall, subject to the rights attaching to any class of shares and the provisions of the articles, be distributed according to the number of shares held by that member.
 - (ii) A general meeting of the Company shall be convened by the board no later than 30 June 2026 where an ordinary resolution shall be proposed that the Company shall proceed to an orderly wind-up at the end of the term of the leases of the Assets. If that resolution is not passed, the directors shall consider alternatives for the future of the Company and shall propose such alternatives at a further general meeting of the Company, including re-leasing the Assets or selling the Assets and reinvesting the capital so received in other aircraft.
- (r) **Certain U.S. and U.S. related Tax Matters**
- (i) The Company is authorised to take any action it determines is desirable to comply with certain U.S. tax provisions colloquially referred to as the Foreign Account Tax Compliance Act and any other law of any other jurisdiction relating thereto including laws promulgated pursuant to an intergovernmental agreement relating thereto (together, **FATCA**), and may enter into an agreement with the U.S. Internal Revenue Service or the taxing and revenue services of any other country. The Company shall not pay any additional amounts to any person in respect of any withholding of taxes, including those relating to FATCA.
 - (ii) The Company is not required to make available the information necessary for any person to make a so-called “qualified electing fund” election under U.S. tax law.

8. Material contracts

Asset Management Agreement

The Asset Management Agreement between the Company and DS Aviation as amended and restated on 5 June 2015, whereby DS Aviation has agreed to (a) maintain ongoing communication with the lessees, the financing parties, the airframe and engine manufacturers and provide the Company with reports in relation thereto, (b) undertake regular inspections of the Assets, (c) monitor the lessees’ performance of all the obligations specified in the relevant lease agreement (in particular, obligations as regards the insurance of the Assets) and provide information and advice in the event of default, (d) support the Company in any sale or re-leasing activity in respect of the Assets and (e) provide input into the Company’s reports, announcements and shareholder communications.

The Asset Management Agreement shall continue until 31 October 2027, subject to earlier termination (i) by either party on immediate notice in certain circumstances including a material unremedied breach by, or the insolvency of, the other party; (ii) by the Company in relation to any Asset on one month's prior written notice if a sale of the Asset has been completed or a Total Loss has occurred in relation to the Asset; and (iii) by the Company if DS Aviation is unable to comply with certain key person provisions.

The Asset Management Agreement contains a 'key person' provision with the aim of ensuring the Company retains the benefit of the expertise of Christian Mailly or a suitable replacement for the duration of the agreement.

The Company pays DS Aviation a management fee of US\$250,000 per annum per Existing Asset and will pay US\$200,000 per annum on New Assets (inflating annually at 2.5 per cent. per annum), payable monthly in arrears commencing from the acquisition of each relevant Asset.

The Asset Manager is also entitled to its share of the Arrangement Fee which, in the case of the Asset Manager, amounts to 0.8 per cent. of the Gross Proceeds.

The Asset Management Agreement currently provides for a Disposal Fee to be payable by the Company to DS Aviation upon the sale of each Asset, such fee being calculated as a percentage of the price at which the relevant Asset is sold. That percentage varies depending upon the level of the total return per Share attributable to the relevant Asset (expressed as a percentage of the IPO Issue Price), being nil if the total return per Share attributable to the Asset is less than 200 per cent.; 1.5 per cent. if the total return per Share equals or exceeds 200 per cent. but is less than 250 per cent.; 2.0 per cent. if the total return per Share equals or exceeds 250 per cent. but is less than 300 per cent.; or 3.0 per cent. if the total return per Share equals or exceeds 300 per cent.

The Asset Management Agreement has been amended to provide a new calculation methodology for the Disposal Fee with effect from the acquisition of the New Assets. Under the new methodology, a Disposal Fee will only become payable at the point at which all four of the Assets have been sold after expiry of the Fourth Thai Lease in December 2026. The fee will be calculated as a percentage of the aggregate net sale proceeds of the four Assets, such percentage rate depending upon the Initial Investor Total Asset Return per Share. The percentage rate shall be nil if the Initial Investor Total Asset Return per Share is less than 205 per cent.; 1.5 per cent. if the Initial Investor Total Asset Return per Share equals or exceeds 205 per cent. but is less than 255 per cent.; 2.0 per cent. if the Initial Investor Total Asset Return per Share equals or exceeds 255 per cent. but is less than 305 per cent.; or 3.0 per cent. if the Initial Investor Total Asset Return per Share equals or exceeds 305 per cent.

In the event that all four Assets have been sold (or have suffered a Total Loss) prior to the date of expiry of the Fourth Thai Lease, the thresholds by reference to which the percentage rate is calculated will be adjusted by applying a discount rate equal to the yield then available on US Treasuries for a comparable period.

In the event of any dispute between the Company and the Asset Manager as to the calculation of the Disposal Fee, such dispute may be referred by either party in writing to the Company's auditors for their determination; and such determination will be final and binding on both the Company and the Asset Manager.

Administration Agreement

The Administration Agreement, dated 19 September 2013, between the Company and the Administrator pursuant to which the Company appointed the Administrator to act as administrator and secretary of the Company and its Guernsey incorporated subsidiaries. The Administration Agreement may be terminated by either party on not less than 90 days' notice. The Administrator is entitled to a fee as set out below.

The Administrator is entitled to a secretarial fee of £25,000 per annum in respect of quarterly Board meetings, plus any committee meetings as described in the Prospectus and an annual general meeting each year, plus an additional £1,640 for each *ad hoc* Board meeting held and a further £1,640 for each board meeting of each wholly-owned subsidiary that the Company incorporates (other than the Lessors); and a financial reporting fee for the Company on a group consolidated basis in respect of the preparation and approval of audited annual reports, half year reports and quarterly board updates, in the amount of £16,000 per annum and an initial set up fee of £1,000 in respect of the first set of accounts. In addition to the above remuneration

the Administrator is also entitled to the administration fee in the minimum amount of £1,250 per month and such other remuneration as shall be agreed between the Administrator and the Board from time to time, (including activity fees as previously agreed with the Company or time cost charges which shall be levied by the Administrator for any other matter not already included under the Administration Agreement).

The Company has covenanted in the Administration Agreement to indemnify and keep indemnified the Administrator from and against all actions, proceedings, claims, demands, (including reasonable and properly incurred costs and expenses incidental thereto) whatsoever made against or incurred by the Administrator arising out of or in connection with the proper performance by the Administrator of its duties under the Administration Agreement save where any action, proceeding, claim, demand, cost or expense results from or arises out of a breach of the Administration Agreement (save where due to a *force majeure* event) or breach of applicable laws or the fraud, negligence, wilful default or bad faith of the Administrator.

Registrar Agreement

The Registrar Agreement, dated 19 September 2013, between the Company and the Registrar pursuant to which the Company appointed the Registrar to act in Guernsey as registrar, transfer agent and paying agent of the Company. The Registrar Agreement has an initial period of three years and shall continue thereafter on a rolling twelve-month basis unless terminated by either the Company or the Registrar giving to the other at any time not less than 3 months' written notice to be given not less than three months before the end of the initial three-year term or successive twelve month period, as applicable or earlier in certain circumstances. The Registrar is entitled to an annual basic registration fee from the Company equal to £1.35 per Shareholder appearing on the register during that year, with a minimum charge per annum of £6,000. Other registrar activity will be charged for in accordance with the Registrar's normal tariff as listed in the Registrar Agreement.

Placing Agreement

The Placing Agreement, dated 5 June 2015, between the Company, DS Aviation, JS Holding (DS Aviation and JS Holding together the **Asset Manager Parties**) and Canaccord Genuity whereby Canaccord Genuity has agreed, as agent for the Company, to use its reasonable endeavours to procure subscribers for New Shares under the Placing at the Issue Price. Canaccord Genuity is not under an obligation to purchase New Shares in the event that it is unable to procure subscribers for New Shares. For its services in connection with the Placing, Canaccord Genuity will be entitled to fees and a placing commission as described below.

The Company will reimburse Canaccord Genuity for all costs and expenses incurred by it in connection with the Placing and will pay Canaccord Genuity's reasonable legal fees. In consideration for Canaccord Genuity acting as placing agent in the Placing the Company has agreed to pay Canaccord Genuity, as at Admission, a placing commission equal to 1.5 per cent. of the Placing Proceeds. All fees, expenses and commissions payable to Canaccord Genuity by the Company shall be paid to Canaccord Genuity together with any VAT payable in respect of such fees, expenses or commissions. Under the Placing Agreement, which is subject to certain customary conditions precedent and which may be terminated by Canaccord Genuity in certain customary circumstances prior to or on Admission, the Company and the Asset Manager Parties have given warranties to Canaccord Genuity concerning, *inter alia*, the accuracy of the information contained in this Prospectus. In addition, the Company has given a standard indemnity to Canaccord Genuity. The warranties and indemnities given by the Company are standard for an agreement of this nature and there is no cap on its liability.

Canaccord Genuity is also entitled to its share of the Arrangement Fee which, in the case of Canaccord Genuity, amounts to 0.3 per cent. of the Gross Proceeds.

IPO Placing Agreement

The IPO placing agreement, dated 27 September 2013, between the Company, Asset Manager Parties and Canaccord Genuity (**the IPO Placing Agreement**) whereby Canaccord Genuity agreed, as agent for the Company, to use its reasonable endeavours to procure subscribers for the IPO. Under the IPO Placing Agreement, the Company and the Asset Manager Parties gave warranties to Canaccord Genuity concerning, *inter alia*, the accuracy of the information contained in the IPO Prospectus. In addition, the Company gave a standard indemnity to Canaccord Genuity. The warranties and indemnities given by the Company were standard for an agreement of that nature and there is no cap on its liability.

Technical Services Agreement

The Technical Services Agreement dated 25 July 2013, between the Existing Lessor and the Technical Services Consultant pursuant to which the Existing Lessor appointed the Technical Services Consultant to provide certain technical services in respect of the Existing Assets, including:

- (i) assistance with registration and certification of the Existing Assets with the Irish Aviation Authority;
- (ii) attendance at the Irish Aviation Authority's inspection of the Existing Assets; and
- (iii) assistance with ongoing compliance responsibilities in respect of the Existing Assets. The Technical Services Agreement may be terminated by either the Existing Lessor or the Technical Services Consultant giving to the other at any time 30 days' written notice.

The Technical Services Consultant was entitled to a fee of €600 per day in respect of services (i) and (ii) (as above) requested by the Existing Lessor and separately a fee of €2,000 per month in respect of service (iii) as above, performed on the ongoing basis. Additional, vehicle costs and fees payable to the Irish Aviation Authority are also to be the responsibility of the Existing Lessor.

Irish Corporate Services Agreement

The Irish Corporate Services Agreement dated 23 September 2013, between the Existing Lessor and Alter Domus (Ireland) Limited (**Alter Domus**) pursuant to which the Existing Lessor appointed Alter Domus to provide certain corporate and administrative services to the Existing Lessor in Ireland. Alter Domus is entitled to a fee of €4,000 per annum in respect of services save for the first year of services for which it received a fee of €5,500. The agreement is terminable on 30 days' notice by either party or on immediate notice in certain circumstances, including insolvency or breach of agreement. By a separate deed of indemnity, the Company has agreed to indemnify Alter Domus to the extent permitted by law in respect of losses suffered by Alter Domus in the performance of its services. Such indemnity will not apply where Alter Domus has acted dishonestly or been guilty of fraud, gross negligence or wilful misconduct in the matter or issue in respect of which it seeks indemnity.

Directors' Service Agreement

The Directors' Service Agreement dated 23 September 2013, between Marching Star Limited (the **Agent**) and the Existing Lessor pursuant to which the Agent nominated Justin Walsh and Aileen McElroy (the **Irish Directors**) to be appointed and provide their services as directors of the Existing Lessor with effect from 8 July 2013. The Irish Directors are responsible for the management of the Existing Lessor with all other directors of the Existing Lessor and the Agent is responsible for the permanent activity of the Irish Directors. In the event the Irish Directors are incapable of performing their duties for a period of 15 days, the Agent has the obligation to propose a new Irish Director to the Existing Lessor and failure to propose such director will give the Existing Lessor a right to terminate the agreement. The Agent is entitled to a fee of €6,000 payable annually plus VAT and the Existing Lessor will reimburse the reasonable travelling expenses and all other reasonable expenses incurred by the Irish Directors in the performance of their duties. For any time spent by the Irish Directors in excess of four standard board meetings per annum, the Existing Lessor will be invoiced separately on a time-spent basis at an hourly rate of €200 per hour plus VAT and disbursements (which may vary from time to time) depending upon the level of qualification of the staff involved. The Directors' Service Agreement may be terminated (a) by either party in the event of (i) unremedied breach of the agreement or (ii) with immediate effect by written notification; or (b) automatically in the specific circumstances as set out in the agreement, including (but not limited) the resignation of the Irish Directors. By a separate deed of indemnity, the Company has agreed to indemnify the Irish Directors to the extent permitted by law in respect of losses suffered by them in the performance of their duties. Such indemnity will not apply where the relevant Irish Director has acted dishonestly or been guilty of fraud, gross negligence or wilful misconduct in the matter or issue in respect of which he seeks indemnity.

9. Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company, the Borrowers and the Lessors are aware), which may have or have had during the 12 months immediately preceding the date of this Prospectus a significant effect on their respective and/or the Group's financial position or profitability.

10. Related party transactions

None of the Company, the Borrowers nor the Lessors have entered into any related party transactions since their respective incorporation.

11. General

- 11.1 The Placing of the New Shares is being carried out on behalf of the Company by Canaccord Genuity which is authorised and regulated in the UK by the FCA.
- 11.2 Canaccord Genuity has given and not withdrawn its written consent to the inclusion in this Prospectus of its name and reference in the form and context in which they appear.
- 11.3 No amount or benefit has been paid, or given, to any promoter of the Company or any of their subsidiaries since the incorporation of the Company and none is intended to be paid, or given.
- 11.4 The Issue will represent a significant gross change to the Company. If the Issue proceeds, on the basis that 96,333,333 New Shares are issued pursuant to the Placing, the net assets of the Company would be increased by approximately US\$99.5 million. The fees and expenses of the Placing will reduce the earnings or increase the losses of the Company.
- 11.5 As the New Shares do not have a par value, the Issue Price of 105.89 cents per New Share consists solely of share premium.
- 11.6 None of the New Shares available under the Placing are being underwritten.
- 11.7 In relation to the return of the capital on a winding up, the Shares will be subordinated to the Loans provided by the Lenders.
- 11.8 Third party information which was obtained by the Company from industry publications, internal surveys conducted by or on behalf of DS Aviation and from publicity available information relating to Norwegian and Thai Airways has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by that third party and/or publicly available information, no facts have been omitted which would render the information (including the information regarding Norwegian and Thai Airways) inaccurate or misleading.
- 11.9 Where third party information contained in this Prospectus has been sourced from a third party, the Company confirms that such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from the information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 11.10 CREST is a paperless settlement procedure enabling securities to be evidenced other than by certificates and transferred other than by written instrument. The Articles permit the holding of the New Shares under the CREST system. The Directors intend to apply for the New Shares to be admitted to CREST with effect from Admission. Accordingly it is intended that settlement of transactions in the New Shares following Admission may take place within the CREST system if the relevant Shareholders so wish. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so upon request from the Registrars.
- 11.11 Application has been made to the London Stock Exchange for all New Shares to be issued in connection with the Placing to be admitted to trading on the SFM. It is expected that Admission will become effective, and that dealings will commence, at 8.00 a.m. on 12 June 2015.
- 11.12 The Company does not own any premises and does not lease any premises.
- 11.13 References to the Lenders in this Prospectus do not create nor is it intended that they create any relationship with investors in the financial instruments referred to within this Prospectus. Consequently, they will not be treated as customers, clients or investors by the Lenders nor will the Lenders provide investors with investment services or engage in investment activities with those investors for the

purposes of the transaction(s) contemplated within this Prospectus, as those terms are defined under the rules of the FCA.

11.14 The City Code on Takeovers and Mergers (**City Code**) applies to the Company. Under Rule 9 of the City Code, if:

- (a) a person acquires an interest in shares in the Company which, when taken together with shares already held by him or persons acting in concert with him, carry 30 per cent. or more of the voting rights in the Company; or
- (b) a person who, together with persons acting in concert with him, is interested in not less than 30 per cent. and not more than 50 per cent. of the voting rights in the Company acquires additional interests in shares which increase the percentage of shares carrying voting rights in which that person is interested,

the acquiror and, depending on the circumstances, its concert parties, would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for any interests in the shares by the acquiror or its concert parties during the previous 12 months.

11.15 Part XVIII of the Companies Laws governs situations where a scheme or contract (a **Scheme**) involves the transfer of shares in a company (the **Transferor**) to a transferee (the **Transferee**). If, within 4 months of making an offer in respect of a Scheme, the offer is approved by shareholders comprising 90 per cent. in value of the shares affected (excluding any shares held as treasury shares), the Transferee may, within 2 months after the expiration of those 4 months, give notice to any dissenting shareholder that it desires to acquire his shares (a **Notice To Acquire**). Where a Notice To Acquire is given (unless cancelled by the Court), the Transferee is entitled and bound to acquire those shares on the terms set out in the Scheme. Unless the Notice To Acquire has been cancelled by the Court, the Transferee shall, on the expiration of one month from the date of the Notice To Acquire, send a copy of the Notice To Acquire to the Transferor and pay or transfer to the Transferor the consideration required under the Notice To Acquire in respect of those shares, and the Transferor shall thereupon register the Transferee as the holder of those shares. The consideration so received will be paid into a separate bank account and held on trust for the shareholders whose shares were the subject of the Notice To Acquire. A dissenting shareholder may apply to the Court to cancel a Notice To Acquire, within one month of the date of such notice. The Court, on such an application, may cancel the notice or make such order as it thinks fit. It is currently expected that the Companies Laws will be amended in the near future and that the provisions described above will be amended as part of those changes.

11.16 Pursuant to an ordinary resolution dated 2 January 2015 (the **AGM Date**), the Company is authorised in accordance with Companies Laws to make market acquisitions (as defined in the Companies Laws) of any of its Shares provided, (i) that the maximum number of Shares authorised to be purchased is 14.99 per cent. of the Company's issued share capital on the AGM Date, (ii) the minimum price (exclusive of expenses) which may be paid for a Share shall be US\$0.01 and (iii) the maximum price (exclusive of expenses) which may be paid for a Share shall be not more than 5 per cent. above the average of the mid-market quotations for a Share derived from the London Stock Exchange for the 5 business days prior to the day the purchase is made. Such authority expires on the date which is 18 months from the date of the passing of such resolution or, if earlier, at the end of the next annual general meeting of the Company following the date of the passing of the resolution. The Directors intend to request that the authority to make market acquisitions of its Shares is renewed at each subsequent annual general meeting of the Company.

11.17 The Net Asset Value of the Existing Shares will be marginally enhanced as a result of the Issue. However the percentage holdings of the Existing Shareholders will be diluted. If 96,333,333 New Shares are issued pursuant to the Placing, Shareholders who do not participate in the Placing will suffer a dilution of approximately 46.02 per cent. to their existing percentage holdings.

12. AIFM Directive

The EU Alternative Investment Fund Managers Directive (No. 2011/61/EU) (the AIFM Directive) which was required to be transposed by EU member states into national legislation by July 2013 seeks to regulate managers of private equity, hedge and other alternative investment funds (in this paragraph AIFs). It imposes obligations on managers who manage alternative investment funds in the EU or who market shares in such funds to EU investors (AIFMs).

In order to obtain authorisation under the AIFM Directive an AIFM would need to comply with various organisational, operational and transparency obligations, which may create significant additional compliance costs, some of which may be passed to investors in the alternative investment fund and may affect dividend returns.

The Company is categorised as an internally managed non-EU AIF for the purposes of the AIFM Directive and as such neither it nor the Asset Manager is required to seek authorisation under the AIFM Directive.

The AIFM Directive currently allows the continued marketing of non-EU alternative investment funds (non-EU AIFs), such as the Company, by the AIFM or its agent under national private placement regimes where EU member states choose to retain private placement regimes. However there is no requirement for EU member states to retain private placement regimes and some EU member states have either decided not to retain such regimes or adopted systems that impose onerous requirements before marketing can take place.

Marketing under the private placement regime in the United Kingdom requires notification to the FCA and is subject to *inter alia*: (a) the requirement that appropriate co-operation agreements are in place between the supervisory authorities of the EU member states in which marketing will take place and the GFSC (the Commission signed bilateral cooperation agreements with 27 securities regulators from the EU and the wider EEA which became applicable on 22 July 2013), (b) Guernsey not being on the Financial Action Task Force (FATF) money-laundering blacklist (as at 4 June 2015, being the latest practicable date prior to the publication of this document, Guernsey was not on the FATF money laundering blacklist), and (c) compliance by the AIFM with certain aspects of the AIFM Directive.

Any regulatory changes arising from the implementation of the AIFM Directive (or otherwise) that limit the Company's ability to market future issues of its Shares could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

At some point after 2018 it may be the case that a passport will be phased in to allow the marketing of non-EU AIFs such as the Company and that after 2018 private placement regimes will be phased out, although this is currently uncertain. Both the phasing in of the passport and the phasing out of national private placement regimes may increase the regulatory burden on the Company.

Consequently, there may in the future be restrictions on the marketing of the Shares in the EU, which in turn may have a negative effect on marketing and liquidity generally in the Company's shares. In addition, certain registration and reporting requirements in relation to any future marketing are likely to lead to an increase in the costs borne by the Company.

As noted above, the Directors have been advised that the Company should be classified as an internally managed AIF for the purposes of the AIFM Directive. Correspondingly, the advisory services in relation to the Assets that are performed by the Asset Manager are outside the scope of the AIFM Directive. However, the AIFM Directive and the laws and regulations made under it by each EU Member State are new and untested. There is therefore a risk that the Company might not be classified as an internally managed AIF and that the Asset Manager might be regarded as the AIFM. As the Asset Manager is established in an EU Member State (Germany), should it be regarded as the AIFM, it would become subject to certain provisions of the AIFM Directive (or relevant German implementing legislation) and the Company would have to comply with national fund regulation provisions. Although the primary impact of this would be on the Asset Manager, the Company would also be affected. In these circumstances, it is possible that the relevant legislation could impose requirements on the Asset Manager and the Company that make it uneconomic or even unlawful for the Asset Manager to continue to provide services to the Company on the basis described in this Prospectus. This in turn may lead to the Asset Manager seeking to vary the terms of its appointment, including seeking increased fees, or ultimately to the Asset Manager seeking to terminate its appointment as Asset Manager. Furthermore, the AIFM Directive or relevant German implementing legislation could impose requirements on the Asset Manager that indirectly lead to increased reporting or other requirements

for the Company and a consequent increase in the Company's operating costs. Any of the above scenarios could have an adverse effect on returns to Shareholders. The Company has given written notification to the FCA pursuant to section 59 of The Alternative Investment Fund Managers Regulations 2013 (SI 1773/2013) (the **AIFM Regulations**) of its intention to market the New Shares in the United Kingdom in accordance with the AIFM Regulations and the rules of the FCA.

13. Documents available for inspection

13.1 Copies of the following documents will be available for inspection at the respective registered offices of the Company, the Borrowers, the Lessors and the offices of Norton Rose Fulbright LLP, 3 More London Riverside, London, SE1 2AQ, United Kingdom, during normal business hours on any weekday (Saturdays and public holidays excepted) until the date of Admission:

- (a) the Memorandum and Articles of Incorporation of the Company, the Borrowers and the Lessors respectively; and
- (b) this Prospectus.

In addition, copies of this Prospectus will be uploaded to the National Storage Mechanism, at (<http://www.hemscott.com/nsm.do>).

Dated: 5 June 2015

PART XIV

TERMS AND CONDITIONS OF THE PLACING

1. Introduction

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THE TERMS AND CONDITIONS SET OUT HEREIN ARE DIRECTED ONLY AT PERSONS SELECTED BY CANACCORD GENUITY LIMITED (**CANACCORD GENUITY**) WHO ARE “**INVESTMENT PROFESSIONALS**” FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE **FPO**) OR “**HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS ETC**” FALLING WITHIN ARTICLE 49(2) OF THE FPO OR TO PERSONS TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS **RELEVANT PERSONS**). THE TERMS AND CONDITIONS SET OUT HEREIN MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS.

THE NEW SHARES THAT ARE THE SUBJECT OF THE PLACING (THE **PLACING SHARES**) ARE NOT BEING OFFERED OR SOLD TO ANY PERSON IN THE EUROPEAN UNION, OTHER THAN TO **QUALIFIED INVESTORS** AS DEFINED IN ARTICLE 2.1(E) OF DIRECTIVE 2003/71/EC (THE **PROSPECTUS DIRECTIVE**), WHICH INCLUDES LEGAL ENTITIES WHICH ARE REGULATED BY THE FINANCIAL CONDUCT AUTHORITY (THE **FCA**) OR ENTITIES WHICH ARE NOT SO REGULATED AND WHOSE CORPORATE PURPOSE IS SOLELY TO INVEST IN SECURITIES.

The Placing Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States (as defined below), and accordingly may not be offered, sold or transferred within the United States of America, its territories or possessions, any state of the United States or the District of Columbia (the **United States**) except pursuant to an exemption from, or in a transaction not subject to, registration under the U.S. Securities Act. The Placing is being made outside the United States only in offshore transactions (as defined in Regulation S under the U.S. Securities Act (**Regulation S**)) meeting the requirements of Regulation S, other than to U.S. Persons or persons acquiring for the account or benefit of U.S. Persons, and may only be made to persons within the United States or to U.S. Persons (or to persons who are acting for the account or benefit of U.S. Persons) who are qualified institutional buyers (**QIBs**) within the meaning of Rule 144A (**Rule 144A**) under the U.S. Securities Act, who are also qualified purchasers (**QPs**) as defined in Section 2(a)(51) of the U.S. Investment Company Act, pursuant to a transaction that is exempt from, or not subject to, the registration requirements of the U.S. Securities Act. The Company has not been and will not be registered under the U.S. Investment Company Act and investors will not be entitled to the benefits of the U.S. Investment Company Act. Persons receiving this Prospectus (including custodians, nominees and trustees) must not forward, distribute, mail or otherwise transmit it in or into the United States or to U.S. Persons or use the United States mails, directly or indirectly, in connection with the Placing.

In addition, except with the express written consent of the Company given in respect of an investment in the Company, the Placing Shares may not be acquired by (i) investors using assets of (A) an “employee benefit plan” as defined in Section 3(3) of United States Employee Retirement Income Security Act of 1974, as amended (**ERISA**), that is subject to Title I ERISA; (B) a “plan” as defined in Section 4975 of the United States Internal Revenue Code of 1986, as amended (the **U.S. Tax Code**), including an individual retirement account or other arrangement that is subject to Section 4975 of the U.S. Tax Code; or (C) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the U.S. Tax Code or (ii) a governmental, church, non-U.S. or other employee benefit plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the U.S. Tax Code, unless its purchase, holding, and disposition of the Placing Shares will not constitute or result in a non-exempt violation of any such substantially similar law.

This Prospectus does not constitute an offer to sell or issue or a solicitation of an offer to buy or subscribe for Placing Shares in any jurisdiction including, without limitation, the United States, Australia, Canada, Japan, New Zealand or South Africa or any other jurisdiction in which such offer or solicitation is or may be unlawful (an Excluded Territory). This Prospectus and the information contained herein are not for publication or distribution, directly or indirectly, to persons in an **Excluded Territory** unless permitted pursuant to an exemption under the relevant local law or regulation in any such jurisdiction.

The distribution of this Prospectus and/or issue of the Placing Shares in certain jurisdictions may be restricted by law and/or regulation. No action has been taken by the Company, Canaccord Genuity or any of their respective affiliates as defined in Rule 501(b) under the U.S. Securities Act (as applicable in the context used, **Affiliates**) that would permit an offer of the Placing Shares or possession or distribution of this Prospectus or any other publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons receiving this Prospectus are required to inform themselves about and to observe any such restrictions.

Canaccord Genuity, which is authorised and regulated in the United Kingdom by the FCA, is acting for the Company and for no one else in connection with the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Canaccord Genuity or for affording advice in relation to the Placing, or any other matters referred to in this Prospectus.

By participating in the Placing, each subscriber for Placing Shares (each a **Placee**) by making an oral offer to take up Placing Shares is deemed to have read and understood this Prospectus in its entirety and to be providing the representations, warranties, undertakings, agreements and acknowledgements contained in this Part XIV of this Prospectus.

- 1.1 Each Placee which confirms its agreement (whether orally or in writing) to Canaccord Genuity to subscribe for the Placing Shares under the Placing will be bound by these terms and conditions and will be deemed to have accepted them.
- 1.2 The Company and/or Canaccord Genuity may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it (in its absolute discretion) sees fit and/or may require any such Placee to execute a separate placing letter (a **Placing Letter**).

2. Agreement to Subscribe for the Placing Shares

Conditional on: (i) Admission occurring and becoming effective by 8.00 a.m. (London time) on or prior to 12 June 2015 (or such later time and/or date, not being later than 31 July 2015, as the Company, the Asset Manager and Canaccord Genuity may agree); (ii) the Principal Documents having been executed; (iii) the Placing Agreement becoming otherwise unconditional in all respects and not having been terminated on or before 12 June 2015 (or such later date, not being later than 31 July 2015, as the parties thereto may agree); (iv) the Placing Proceeds being equal to or exceeding US\$102.0 million by 3.00 p.m. on 11 June 2015 (or such later date as the Company, the Asset Manager and Canaccord Genuity may agree); and (v) Canaccord Genuity confirming to the Placees their allocation of the Placing Shares, a Placee agrees to become a member of the Company and agrees to subscribe for those Placing Shares allocated to it by Canaccord Genuity at the Issue Price. To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

3. Payment for Placing Shares

Each Placee must pay the Issue Price for the Placing Shares issued to the Placee in the manner and by the time directed by Canaccord Genuity. In the event of any failure by any Placee to pay as so directed and/or by the time required by Canaccord Genuity, the relevant Placee shall be deemed hereby to have appointed Canaccord Genuity or any nominee of Canaccord Genuity as its agent to use its reasonable endeavours to sell (in one or more transactions) any or all of the Placing Shares in respect of which payment shall not have been made as directed, and to indemnify Canaccord Genuity and its affiliates on demand in respect of any liability for stamp duty and/or stamp duty reserve tax or any other liability whatsoever arising in respect of any such sale or sales. A sale of all or any of such Placing Shares shall not release the relevant Placee from the obligation to make such payment for relevant Placing Shares to the extent that Canaccord Genuity or its nominees have failed to sell such Placing Shares at a consideration which, after deduction of the expenses of such sale and payment of stamp duty and/or stamp duty reserve tax as aforementioned, exceeds the Issue Price.

4. Participation in, and principal terms of, the Placing

- 4.1 A single price per Placing Share (being the **Issue Price**) will be payable to Canaccord Genuity by all Placees.

- 4.2 Prospective Placees will be identified and contacted by Canaccord Genuity.
- 4.3 The Placing is expected to close at noon on 9 June 2015. However, the Company may, with the prior approval of Canaccord Genuity, bring forward or postpone this date. In the event such date is changed, the Company will notify investors who have applied for Placing Shares either by post, by electronic mail or by the publication of a notice through a Regulatory Information Service.
- 4.4 Canaccord Genuity will re-contact and confirm orally to Placees the size of their respective allocations and a trade confirmation will be dispatched as soon as possible thereafter. Canaccord Genuity's oral confirmation of the size of allocations and each Placee's oral commitment to accept the same will constitute a legally binding agreement pursuant to which each such Placee will be required to accept the number of Placing Shares allocated to the Placee at the Issue Price and otherwise on the terms and subject to the conditions set out in this Prospectus.
- 4.5 Canaccord Genuity (after consultation with the Company and the Asset Manager) reserves the right to scale back the number of Placing Shares to be subscribed by any Placee in the event of an oversubscription under the Placing. The Company and Canaccord Genuity also reserve the right not to accept offers to subscribe for Placing Shares or to accept such offers in part rather than in whole. Canaccord Genuity shall be entitled to effect the Placing by such method as it shall in its sole discretion determine. To the fullest extent permissible by law, neither Canaccord Genuity, nor any holding company of Canaccord Genuity, nor any subsidiary, branch or affiliate of Canaccord Genuity (each an **Affiliate**) nor any person acting on behalf of any of the foregoing shall have any liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise). In particular, neither Canaccord Genuity, nor any Affiliate thereof nor any person acting on its behalf shall have any liability to Placees in respect of its conduct of the Placing.
- 4.6 Each Placee's obligations will be owed to the Company and to Canaccord Genuity. Following the oral confirmation referred to above, each Placee will also have an immediate, separate, irrevocable and binding obligation, owed to Canaccord Genuity, to pay to Canaccord Genuity (or as Canaccord Genuity may direct) in cleared funds an amount equal to the product of the Issue Price and the number of Placing Shares which such Placee has agreed to acquire. The Company shall allot such Placing Shares to each Placee following each Placee's payment to Canaccord Genuity of such amount.
- 4.7 All obligations of Canaccord Genuity under the Placing will be subject to fulfilment of the conditions referred to below under "Conditions of the Placing".

5. Conditions of the Placing

- 5.1 The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms.
- 5.2 The obligations of Canaccord Genuity under the Placing Agreement are conditional, *inter alia*, on:
- (a) Admission occurring by no later than 8.00 a.m. on 12 June 2015 (or such later date as may be agreed between the Company, the Asset Manager and Canaccord Genuity, not being later than close of business on 31 July 2015); and
 - (b) the Company and the Asset Manager and JS Holding (together the **Asset Manager Parties**), delivering, by no later than 5.00 p.m. on the business day prior to Admission, to Canaccord Genuity certificates confirming, *inter alia*, that none of the representations, warranties and undertakings given by the Company or the Asset Manager Parties in the Placing Agreement has been breached or was untrue, inaccurate or misleading in any respect when made or, by reason of any event occurring or circumstance arising before the date of the certificates, would cease to be true and accurate were it to be repeated on the date of the certificates.
- 5.3 If (a) the conditions are not fulfilled (or to the extent permitted under the Placing Agreement waived by Canaccord Genuity), or (b) the Placing Agreement is terminated in the circumstances specified below, the Placing will lapse and each Placee's rights and obligations under the Placing shall cease and determine at such time and no claim may be made by a Placee in respect thereof. Canaccord Genuity shall have no liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in

respect of any decision it may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition in the Placing Agreement or in respect of the Placing generally.

- 5.4 By participating in the Placing, each Placee agrees that its rights and obligations hereunder terminate only in the circumstances described above and under “Right to terminate under the Placing Agreement” below, and will not be capable of rescission or termination by the Placee.

6. Right to terminate under the Placing Agreement

- 6.1 Canaccord Genuity may at any time on or before Admission, terminate the Placing Agreement by giving notice to the Company that:
- (a) any statement contained in this Prospectus is or has become untrue or incorrect or misleading in any material respect or that there has been a material omission therefrom or matters have arisen which would, if the Prospectus were issued at that time, constitute a material omission therefrom;
 - (b) any of the warranties given under the Placing Agreement was untrue, inaccurate or misleading in any material respect when given;
 - (c) there is a fact or circumstance which has arisen which has given or would or is likely to give rise to a claim under the indemnity at clause 11.3 of the Placing Agreement or which has caused or would or might or is likely to cause such a warranty to become untrue, inaccurate or misleading in any material respect at any time (by reference to the facts or circumstances existing at that time) before Admission becomes effective;
 - (d) any other event has occurred which requires a supplementary prospectus to be published in accordance with the Prospectus Rules, or otherwise results in this Prospectus being or becoming misleading in any material respect or makes it inadvisable or inexpedient to proceed with the Placing;
 - (e) any addition is made to the membership of the Board (for any reason whatsoever) without the prior written consent of the Placing Agent (such consent not to be unreasonably withheld or delayed);
 - (f) without prejudice to the generality of paragraph (g) below of the Placing Agreement, the Company has breached clause 3 of the Placing Agreement (Delivery and Release of Documents) and failed to comply within a reasonable time with the Placing Agent’s request to remedy the breach;
 - (g) the Company fails in any material respect to comply with any of its obligations under the Placing Agreement; or
 - (h) certain events occur which, in the opinion of Canaccord Genuity arrived at in good faith are likely materially and adversely to affect the financial position, the business or the prospects of the Company or make the success of the Placing doubtful or makes the Placing or the creation of a market in the New Shares temporarily or permanently impracticable or inadvisable (in which case Canaccord Genuity shall consult with the Company and the Asset Manager to the extent practicable prior to exercising its right of termination).
- 6.2 By participating in the Placing, each Placee agrees with Canaccord Genuity that the exercise by Canaccord Genuity of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of Canaccord Genuity and that Canaccord Genuity need not make any reference to the Placee in this regard and that, to the fullest extent permitted by law, Canaccord Genuity shall not have any liability whatsoever to the Placee in connection with any such exercise.

7. Prospectus

- 7.1 This Prospectus has been published in connection with the Placing and Admission. The Prospectus has been approved by the FCA. A Placee may rely only on the information contained in this Prospectus in deciding whether or not to participate in the Placing.
- 7.2 Each Placee, by accepting a participation in the Placing, agrees that the content of this Prospectus is exclusively the responsibility of the Company and the persons stated therein as accepting responsibility for the Prospectus and confirms to Canaccord Genuity, the Company and the Asset Manager that it

has neither received nor relied on any information, representation, warranty or statement made by or on behalf of Canaccord Genuity (other than the amount of the relevant Placing participation in the oral confirmation given to Placees and the trade confirmation referred to below), any of its Affiliates, any persons acting on its behalf or the Company or the Asset Manager other than this Prospectus and neither Canaccord Genuity, nor any of its Affiliates, nor any persons acting on their behalf, nor the Company nor the Asset Manager will be liable for the decision of any Placee to participate in the Placing based on any other information, representation, warranty or statement which the Placee may have obtained or received (regardless of whether or not such information, representation, warranty or statement was given or made by or on behalf of any such persons) other than this Prospectus. By participating in the Placing, each Placee acknowledges to and agrees with Canaccord Genuity for itself and as agent for the Company that, except in relation to the information contained in this Prospectus, it has relied on its own investigation of the business, financial or other position of the Company in deciding to participate in the Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

8. Registration and settlement

- 8.1 Settlement of transactions in the Placing Shares following Admission will take place within the CREST system, using the DVP mechanism, subject to certain exceptions. Canaccord Genuity reserves the right to require settlement for and delivery of the Placing Shares to Placees by such other means as it may deem necessary, if delivery or settlement is not possible or practicable within the CREST system within the timetable set out in this Prospectus or would not be consistent with the regulatory requirements in the Placee's jurisdiction.
- 8.2 Each Placee allocated Placing Shares in the Placing will be sent a trade confirmation stating the number of Placing Shares allocated to it, the Issue Price, the aggregate amount owed by such Placee to Canaccord Genuity and settlement instructions. Placees should settle against CREST ID: 805. It is expected that such trade confirmation will be despatched on 10 June 2015 and that this will also be the trade date. Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with either the standing CREST or certificated settlement instructions which it has in place with Canaccord Genuity.
- 8.3 It is expected that settlement will be on 12 June 2015 on a T+2 basis in accordance with the instructions set out in the trade confirmation.
- 8.4 Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of 2 percentage points above the base rate of Barclays Bank plc.
- 8.5 If Placing Shares are to be delivered to a custodian or settlement agent, the Placee should ensure that the trade confirmation is copied and delivered immediately to the relevant person within that organisation.
- 8.6 Insofar as Placing Shares are registered in the Placee's name or that of its nominee or in the name of any person for whom the Placee is contracting as agent or that of a nominee for such person, such Placing Shares will, subject as provided below, be so registered free from any liability to PTM levy, stamp duty or stamp duty reserve tax. If there are any circumstances in which any other stamp duty or stamp duty reserve tax is payable in respect of the issue of the Placing Shares, neither Canaccord Genuity nor the Company shall be responsible for the payment thereof. Placees will not be entitled to receive any fee or commission in connection with the Placing.

9. Representations and Warranties

- 9.1 By agreeing to subscribe for the Placing Shares, each Placee which enters into a commitment to subscribe for the Placing Shares will (for itself and any person(s) procured by it to subscribe for the Placing Shares and any nominee(s) for any such person(s)) be deemed to agree, represent and warrant to each of the Company, the Asset Manager and Canaccord Genuity that:
 - (a) in agreeing to subscribe for Placing Shares under the Placing, it is relying solely on this Prospectus and any supplementary prospectus issued by the Company and not on any other information

given, or representation or statement made at any time, by any person concerning the Company or the Placing. It agrees that none of the Company, the Asset Manager and Canaccord Genuity, nor any of their respective officers, agents or employees, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;

- (b) the content of this Prospectus is exclusively the responsibility of the Company and its Directors and apart from the liabilities and responsibilities, if any, which may be imposed on Canaccord Genuity under any regulatory regime, neither Canaccord Genuity nor any person acting on its behalf nor any of its Affiliates makes any representation, express or implied, nor accepts any responsibility whatsoever for the contents of this Prospectus nor for any other statement made or purported to be made by them or on its or their behalf in connection with the Company, the Placing Shares or the Placing;
- (c) if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for Placing Shares under the Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action which will result in the Company, the Asset Manager, or Canaccord Genuity, or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Placing;
- (d) it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Placing Shares and it is not acting on a non-discretionary basis for any such person;
- (e) it agrees that, having had the opportunity to read this Prospectus, it shall be deemed to have had notice of all information and representations contained in this Prospectus, that it is acquiring Placing Shares solely on the basis of this Prospectus and any supplementary prospectus published by the Company prior to Admission and no other information and that in accepting a participation in the Placing it has had access to all information it believes necessary or appropriate in connection with its decision to subscribe for Placing Shares;
- (f) it acknowledges that no person is authorised in connection with the Placing to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus published by the Company prior to Admission and, if given or made, any information or representation must not be relied upon as having been authorised by Canaccord Genuity, the Company or the Asset Manager;
- (g) it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986;
- (h) it accepts that none of the Placing Shares have been or will be registered under the laws of the United States, Canada, Australia, Japan, New Zealand or South Africa or any other jurisdiction where the availability of the Placing would breach any Applicable Law (an **Excluded Territory**). Accordingly, the Placing Shares may not be offered, sold or delivered, directly or indirectly, within any Excluded Territory;
- (i) if it is in the United Kingdom, if it is a Relevant Person;
- (j) if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, that it is a person to whom the Placing Shares may be lawfully offered under that other jurisdiction's laws and regulations;
- (k) if it is a resident in the EEA (other than the United Kingdom), (a) it is a qualified investor within the meaning of the law in the Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU, to the extent implemented in the Relevant Member State)) and (b) if that Relevant Member State has implemented the AIFM Directive, that it is a person to whom the Placing Shares may be lawfully marketed under the AIFM Directive or under the applicable implementing legislation (if any) of that Relevant Member State;

- (l) if it is outside the United Kingdom, neither this Prospectus nor any other offering, marketing or other material in connection with the Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Placing Shares pursuant to the Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Placing Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;
- (m) it acknowledges that neither Canaccord Genuity nor any of its Affiliates nor any person acting on its or their behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Placing or providing any advice in relation to the Placing and participation in the Placing is on the basis that it is not and will not be a client of Canaccord Genuity or any of its Affiliates and that Canaccord Genuity and any of its Affiliates do not have any duties or responsibilities to it for providing protection afforded to their respective clients or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertaking or indemnities contained in the Placing Letter if relevant;
- (n) it acknowledges that where it is subscribing for Placing Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to subscribe for the Placing Shares for each such account; (ii) to make on each such account's behalf the representations, warranties and agreements set out in this Prospectus; and (iii) to receive on behalf of each such account any documentation relating to the Placing in the form provided by the Company and/or Canaccord Genuity. It agrees that the provision of this paragraph shall survive any resale of the Placing Shares by or on behalf of any such account;
- (o) it irrevocably appoints any Director and any director of Canaccord Genuity to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Placing Shares for which it has given a commitment under the Placing, in the event of its own failure to do so;
- (p) it accepts that if the Placing does not proceed or the conditions to the Placing Agreement are not satisfied or the Placing Shares for which valid application are received and accepted are not admitted to listing on the SFM for any reason whatsoever then none of the Company, Canaccord Genuity, the Asset Manager or any of their affiliates, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;
- (q) it acknowledges that any person in Guernsey who knows, suspects, believes or has reasonable grounds for knowing, suspecting or believing that any person (including the Company or any person subscribing for Placing Shares) is involved in money laundering or terrorist financing activities is under an obligation to report such suspicion to the Financial Intelligence Service pursuant to applicable Guernsey law (including but not limited to the Disclosure (Bailiwick of Guernsey) Law 2007, the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law 1999 and the Terrorism and Crime (Bailiwick of Guernsey) Law 2002);
- (r) it acknowledges and agrees that information provided by it to the Company, Registrar or Administrator will be stored on the Registrar's and the Administrator's computer system and manually. It acknowledges and agrees that for the purposes of the Data Protection (Bailiwick of Guernsey) Law 2001 (the **Data Protection Law**) and other relevant data protection legislation which may be applicable, the Registrar and the Administrator are required to specify the purposes for which they will hold personal data. The Registrar and the Administrator will only use such information for the purposes set out below (collectively, the **Purposes**), being to:
 - (i) process its personal data (including sensitive personal data) as required by or in connection with its holding of Placing Shares, including processing personal data in connection with credit and money laundering checks on it;
 - (ii) communicate with it as necessary in connection with its affairs and generally in connection with its holding of Placing Shares;
 - (iii) provide personal data to such third parties as the Administrator or Registrar may consider necessary in connection with its affairs and generally in connection with its holding of Placing

Shares or as the Data Protection Law may require, including to third parties outside the Bailiwick of Guernsey or the European Economic Area;

- (iv) without limitation, provide such personal data to the Company, Canaccord Genuity or the Asset Manager and their respective associates for processing, notwithstanding that any such party may be outside the Bailiwick of Guernsey or the European Economic Area; and
- (v) process its personal data for the Administrator's internal administration;
- (s) in providing the Registrar and the Administrator with information, it hereby represents and warrants to the Registrar and the Administrator that it has obtained the consent of any data subjects to the Registrar and the Administrator and their respective associates holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purpose set out in paragraph (r) above). For the purposes of this Prospectus, "data subject", "personal data" and "sensitive personal data" shall have the meanings attributed to them in the Data Protection Law;
- (t) in connection with its participation in the Placing it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering (**Money Laundering Legislation**) and that its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person: (i) subject to the Money Laundering Regulations 2007 in force in the United Kingdom; or (ii) subject to the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing); or (iii) subject to the Guernsey AML Requirements; or (iv) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Directive;
- (u) it agrees that, due to anti-money laundering and the countering of terrorist financing requirements, Canaccord Genuity, the Administrator, the Registrar and/or the Company may require proof of identity of the Placee and related parties and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the Placee to produce any information required for verification purposes, Canaccord Genuity, the Administrator, the Registrar and/or the Company may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify Canaccord Genuity, the Administrator, the Registrar and/or the Company against any liability, loss or cost ensuing due to the failure to process this application, if such information as has been required has not been provided by it or has not been provided on a timely basis;
- (v) Canaccord Genuity and the Company (and any agent on their behalf) are entitled to exercise any of their rights under the Placing Agreement or any other right in their absolute discretion without any liability whatsoever to them (or any agent acting on their behalf);
- (w) the representations, undertakings and warranties contained in this Prospectus are irrevocable. It acknowledges that Canaccord Genuity, the Company and their respective affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or warranties made or deemed to have been made by its subscription of the Placing Shares are no longer accurate, it shall promptly notify Canaccord Genuity and the Company;
- (x) where it or any person acting on behalf of it is dealing with Canaccord Genuity, any money held in an account with Canaccord Genuity on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require Canaccord Genuity to segregate such money, as that money will be held by Canaccord Genuity under a banking relationship and not as trustee;
- (y) any of its clients, whether or not identified to Canaccord Genuity or any of its Affiliates or agents, will remain its sole responsibility and will not become clients of Canaccord Genuity or any of its Affiliates or agents for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;
- (z) it accepts that the allocation of Placing Shares shall be determined by Canaccord Genuity (in consultation with the Company and the Asset Manager) in its absolute discretion and that such

persons may scale down any Placing commitments for this purpose on such basis as they may determine; and

- (aa) time shall be of the essence as regards its obligations to settle payment for the Placing Shares and to comply with its other obligations under the Placing.

10. United States Purchase and Transfer Restrictions

10.1 By participating in the Placing, each Placee acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for Placing Shares and any nominee(s) for any such person(s)) be further deemed to represent and warrant to each of the Company, the Asset Manager and Canaccord Genuity that:

- (a) if it is located outside the United States, it is not a U.S. Person, it is acquiring the Placing Shares in an offshore transaction meeting the requirements of Regulation S and it is not acquiring the Placing Shares for the account or benefit of a U.S. Person;
- (b) if it is located inside the United States or is a U.S. Person, it has received, read, understood and, prior to its receipt of any Placing Shares, returned an executed U.S. Subscription Agreement to the Company for the benefit of the Company and the Asset Manager;
- (c) it acknowledges that the Placing Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons absent registration or an exemption from registration under the U.S. Securities Act;
- (d) it acknowledges that the Company has not registered under the U.S. Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the U.S. Investment Company Act;
- (e) no portion of the assets used to purchase, and no portion of the assets used to hold, the Placing Shares or any beneficial interest therein constitutes or will constitute the assets of (i) an “employee benefit plan” as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (ii) a “plan” as defined in Section 4975 of the U.S. Tax Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the U.S. Tax Code; or (iii) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the U.S. Tax Code. In addition, if an investor is a governmental, church, non-U.S. or other employee benefit plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the U.S. Tax Code, its purchase, holding, and disposition of the Placing Shares must not constitute or result in a non-exempt violation of any such substantially similar law;
- (f) that if any Placing Shares offered and sold pursuant to Regulation S are issued in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect unless otherwise determined by the Company in accordance with Applicable Law:

“DP AIRCRAFT I LIMITED (THE **COMPANY**) HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE **U.S. INVESTMENT COMPANY ACT**). IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **U.S. SECURITIES ACT**), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. ACCORDINGLY, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED, EXERCISED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE U.S. SECURITIES ACT OR AN EXEMPTION THEREFROM AND UNDER CIRCUMSTANCES WHICH WILL NOT REQUIRE THE COMPANY TO REGISTER UNDER THE U.S. INVESTMENT COMPANY ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS.”

provided, that if any Placing Shares are being sold pursuant to sub-paragraph (i)(A) below, and if the Company is a “Foreign Issuer” within the meaning of Regulation S at the time of sale, any

such legend may be removed upon delivery of the certification described in sub-paragraph (i)(A) below, and provided further, that, if any Placing Shares are being sold pursuant to sub-paragraph (i)(B) below, the legend may be removed by delivery to the Company of an opinion of counsel of recognised standing in form and substance reasonably satisfactory to the Company;

- (g) if in the future the investor decides to offer, sell, transfer, assign or otherwise dispose of the Placing Shares, it will do so only in compliance with an exemption from the registration requirements of the U.S. Securities Act and under circumstances which will not require the Company to register under the U.S. Investment Company Act. It acknowledges that any sale, transfer, assignment, pledge or other disposal made other than in compliance with such laws and the above stated restrictions will be subject to the compulsory transfer provisions as provided in the Articles;
- (h) if it is a person described in paragraph (a) above and, if in the future it decides to offer, resell, pledge or otherwise transfer any of the Placing Shares, such Placing Shares may be offered, resold, pledged or otherwise transferred only (A) outside the United States to non-U.S. Persons in an offshore transaction in accordance with Rule 904 of Regulation S (including, for example, an ordinary trade over the London Stock Exchange), provided that the Company is a “Foreign Issuer” within the meaning of Regulation S at the time of sale, upon delivery to the Company of a certification in the form set forth in the U.S. Subscription Agreement or otherwise in such form as is reasonably satisfactory to the Company, to the effect that such legend is no longer required under applicable requirements of the U.S. Securities Act, U.S. Investment Company Act or state securities laws, (B) in a transaction that does not require registration under the U.S. Securities Act or any applicable United States securities laws and regulations or require the Company to register under the U.S. Investment Company Act, subject to, if requested by the Company, delivery of an opinion of counsel of recognised standing in form and substance reasonably satisfactory to the Company, or (C) to the Company;
- (i) it is purchasing the Placing Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Placing Shares in any manner that would violate the U.S. Securities Act, the U.S. Investment Company Act or any other applicable securities laws;
- (j) it acknowledges that the Company reserves the right to make inquiries of any holder of the Placing Shares or interests therein at any time as to such person’s status under the U.S. federal securities laws and to require any such person that has not satisfied the Company that holding by such person will not violate or require registration under the U.S. securities laws to transfer such Placing Shares or interests in accordance with the Articles;
- (k) it acknowledges and understands that the Company is required to comply with the Foreign Account Tax Compliance Act provisions of the U.S. Tax Code (**FATCA**) and that the Company will follow FATCA’s extensive reporting and withholding requirements. The investor agrees to furnish any information and documents the Company may from time to time request, including but not limited to information required under FATCA;
- (l) it is entitled to acquire the Placing Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the Placing Shares and that it has not taken any action, or omitted to take any action, which may result in the Company or Canaccord Genuity, or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with the Placing or its acceptance of participation in the Placing;
- (m) it has received, carefully read and understands this Prospectus, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus or any other presentation or offering materials concerning the Placing Shares to within the United States or to any U.S. Persons, nor will it do any of the foregoing;
- (n) if it is acquiring any Placing Shares as a fiduciary or agent for one or more accounts, the investor has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account; and

- (o) the Company, the Asset Manager, Canaccord Genuity and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.

10.2 If any of the representations, warranties, acknowledgments or agreements made by the placee are no longer accurate or have not been complied with, the placee will immediately notify the Company.

11. Supply and Disclosure of Information

If either of Canaccord Genuity, the Company or any of their agents request any information in connection with a Placee's agreement to subscribe for Placing Shares under the Placing or to comply with any relevant legislation, such Placee must promptly disclose it to them.

12. Miscellaneous

12.1 The rights and remedies of Canaccord Genuity and the Company under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

12.2 On application, if a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Placing will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.

12.3 Each Placee agrees to be bound by the Articles (as amended from time to time) once the Placing Shares, which the Placee has agreed to subscribe for pursuant to the Placing, have been acquired by the Placee. The contract to subscribe for Placing Shares under the Placing and the appointments and authorities mentioned in this Prospectus will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of Canaccord Genuity and the Company, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against a Placee in any other jurisdiction. A final and conclusive judgment under which a sum of money is payable (not being a sum payable in respect of taxes or other charges of a like nature or in respect of a fine or penalty) obtained in the Supreme Court and the Senior Courts of England and Wales, excluding the Crown Court, against the Company in respect of the contract to subscribe for Placing Shares under the Placing pursuant to these terms and conditions after a hearing on the merits would be recognised as a valid judgment by the Guernsey courts and would be enforceable in accordance with and subject to the provisions of the Judgments (Reciprocal Enforcement) (Guernsey) Law 1957.

12.4 In the case of a joint agreement to subscribe for Placing Shares under the Placing, references to a "Placee" in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.

12.5 Canaccord Genuity and the Company expressly reserve the right to modify the Placing (including, without limitation, their timetable and settlement) at any time before allocations are determined.

12.6 The Placing is subject to the satisfaction of the conditions contained in the Placing Agreement and the Placing Agreement not having been terminated. Further details of the terms of the Placing Agreement are contained in paragraph 8 of Part XIII of this Prospectus.

PART XV

DEFINITIONS

Acquisition means the acquisition of the Third Asset and the Fourth Asset by the Company (through its subsidiaries)

Administration Agreement means the administration agreement between the Company and the Administrator, dated 19 September 2013, a summary of which is set out in paragraph 8 of Part XIII of this Prospectus

Administrator or **Dexion** means Dexion Capital (Guernsey) Limited

Admission means admission to trading on the SFM of the New Shares becoming effective in accordance with the LSE Admission Standards

Affiliate in relation to any person means any person for the time being that controls, is controlled by or is under common control with that person, where a person controlling another person means that person having the power to appoint and/or remove all or the majority of that other person's governing body or having the power to control the affairs of that other person

Agreed Value has the meaning given to it in Part VI of this Prospectus under the heading "Insurance"

AIF means an alternative investment fund under the AIFM Directive

AIFM Directive means the Alternative Investment Fund Managers EU Directive

AIFM means an alternative investment fund manager under the AIFM Directive

AIFM Regulations means the UK Alternative Investment Fund Managers Directive (SI 1773/2013)

Applicable Law means, in relation to any jurisdiction, any law, regulation, treaty, directive, decision, rule, regulatory requirement, judgment, order, ordinance, request, guideline or direction or any other act of any government entity of such jurisdiction whether or not having the force of law (but, if not having the force of law, with which parties in the relevant jurisdiction generally comply) and with which any of the parties in the Group, Norwegian, Thai Airways, any of its permitted sub-lessees under the Leases, the Asset Manager, the Existing Loan Finance Parties and the New Loan Finance Parties, is required to comply, or with which it would, in the normal course of its business, comply

Arrangement Fee means a fee payable by the Company to DS Aviation and Canaccord Genuity of, respectively, 0.8 per cent. and 0.3 per cent. of the aggregate of the Gross Proceeds and the monies to be drawn down by the Company under the New Loans, payable in two equal instalments on the transfer of title to the Group of the Third Asset and the Fourth Asset respectively

Articles of Incorporation or **Articles** means the articles of incorporation of the Company, as amended from time to time

Asset Management Agreement means the asset management agreement between the Company and DS Aviation, dated 19 September 2013, a summary of which is set out in paragraph 8 of Part XIII of this Prospectus

Asset Manager or **DS Aviation** means DS Aviation GmbH & Co. KG

Asset or **Assets** means the First Asset, the Second Asset, the Third Asset and/or the Fourth Asset and/or any other aircraft which the Company acquires directly or indirectly, as the context requires

Assumptions means the key assumptions used in calculating target returns set out in this Prospectus, as described in Part X of this Prospectus

Auditor means KPMG

BAHT means the lawful currency of Thailand

Boeing means The Boeing Company

Borrower means, in respect of the First Asset, the First Borrower, in respect of the Second Asset, the Second Borrower, in respect of the Third Asset, the Third Borrower and in respect of the Fourth Asset, the Fourth Borrower, together the **Borrowers**

Business Day means a day on which the London Stock Exchange and banks in Guernsey are normally open for business

C Shares means shares of no par value in the capital of the Company, issued as “C Shares” and carrying the rights and being subject to the restrictions set out in the Articles, which will convert into Shares as set out in the Articles

Canaccord Genuity means Canaccord Genuity Limited

certificated or **certificated form** means not in uncertificated form

CISEA means the Channel Islands Securities Exchange Authority Limited

Companies Acts means the Irish Companies Acts 1963-2012, as amended

Companies Laws means The Companies (Guernsey) Law 2008, as amended, together with any ordinances and regulations made thereunder

CREST Agent means Canaccord Genuity

CREST Guernsey Requirements means such rules and requirements of Euroclear as may be applicable to Guernsey issuers as from time to time specified in the CREST Manual

CREST Manual means the document entitled CREST Manual issued by Euroclear from time to time

CREST means the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as **Operator** pursuant to the Regulations

Delivery Date means the date that an Asset is delivered from Boeing to the relevant Seller

Directors or **Board** means the directors of the Company

Disclosure and Transparency Rules means the disclosure and transparency rules made by the FCA under Part VI FSMA

Disposal Fee means the fee payable to DS Aviation under the Asset Management Agreement in respect of any sale or Total Loss of an Asset

Dr. Peters means Dr. Peters Holding GmbH

Engine means any of the engines specified in the relevant Lease as being “Engines” in each case whether or not installed on the relevant Asset, together with all records, the manuals and the technical records, technical data and other materials and documents kept in accordance with the requirements of the Lease relating to the relevant Engine, collectively the **Engines**

ERISA means the United States Employee Retirement Income Security Act of 1974, as amended

Euro or **€** means the lawful currency of the European Union

Euroclear means Euroclear UK & Ireland Limited

Existing Assets means the First Asset and the Second Asset

Existing Borrowers means the First Borrower and the Second Borrower

Existing Lease Novations or **NAS Lease Novations** means the First Lease Novation and/or the Second Lease Novation, as the context requires

Existing Lender or **Existing Lenders** means Norddeutsche Landesbank Girozentrale (33 $\frac{1}{3}$ per cent.), DekaBank Deutsche Girozentrale (33 $\frac{1}{3}$ per cent.) and Helaba Landesbank Hessen Thüringen (33 $\frac{1}{3}$ per cent.) in respect of each of the New Loans

Existing Lessee means Norwegian

Existing Lessor means DP Aircraft Ireland Limited

Existing Loan means the First Loan and/or the Second Loan

Existing Loan Agent means Norddeutsche Landesbank Girozentrale in its capacity as agent under the Existing Loan Agreement

Existing Loan Agreement or **Existing Loan Agreements** means the First Loan Agreement and/or Second Loan Agreement

Existing Loan Finance Parties means the Existing Lenders, the Existing Loan Agent, the Existing Loan Security Trustee and Norddeutsche Landesbank Girozentrale (as hedging provider)

Existing Loan Security Trustee means the security trustee acting on behalf of the Existing Lenders in relation to the Existing Loans

FCA means the UK Financial Conduct Authority

FCA Handbook means the handbook of rules and guidance published by the FCA, as amended from time to time

FCA Rules means the rules of the FCA as amended from time to time, including the FCA Handbook

First Asset means the Boeing 787-8 aircraft with manufacturer serial number 35304 together with the Engines and, where the context permits, including all records, the manuals and the technical records, technical data and other materials and documents kept in accordance with the requirements of the Lease relating to this Asset

First Borrower means DP Aircraft Guernsey I Limited

First Head Lease means the head lease to be entered into between the Third Borrower and the New Lessor in respect of the Third Asset

First Lease Novation means the novation (or Assignment, Assumption and Amendment Agreement) of the First Lease entered into between the NAS Seller for the First Asset, the Existing Lessor as new lessor and Norwegian as lessee

First Loan Agreement means the loan agreement entered into between the First Borrower and the Existing Loan Finance Parties, a summary of which is set out in Part IX of this Prospectus

First Loan means the loan of US\$79,800,000 advanced by the Existing Lenders to the First Borrower pursuant to the First Loan Agreement

First NAS Lease means the lease agreement dated 27 April 2011 in respect of the First Asset between Norwegian (as lessee) and the NAS Seller (as lessor) (as amended and supplemented from time to time) and which was novated to the Existing Lessor pursuant to the First Lease Novation

First Sale Agreement means the sale and purchase agreement entered into between the Existing Lessor and the NAS Seller relating to the purchase of the First Asset

Fourth Asset means the Boeing 787-8 aircraft with manufacturer serial number 35320 together with the Engines and, where the context permits, including all records, the manuals and the technical records, technical data and other materials and documents kept in accordance with the requirements of the Lease relating to this Asset

Fourth Borrower means DP Aircraft Guernsey III Limited

Fourth Lease Novation means the novation (or 'Assignment, Assumption and Amendment Agreement') of the Fourth Lease to be entered into between the Thai Seller for the Fourth Aircraft, the New Lessor as new lessor and Thai Airways as lessee

Fourth Loan Agreement means the loan agreement to be entered into between the Fourth Borrower and the New Loan Finance Parties, a summary of which is set out in Part IX of this Prospectus

Fourth Loan means the loan of up to US\$78,500,000 to be advanced by the New Lenders to the Fourth Borrower pursuant to the Fourth Loan Agreement

Fourth Sale Agreement means the sale and purchase agreement to be entered into between the Fourth Borrower and the Thai Seller relating to the purchase of the Fourth Asset

Fourth Thai Lease means the lease agreement dated 26 August 2011 in respect of the Fourth Asset between Thai Airways (as lessee) and the Thai Seller (as lessor) (as amended and supplemented from time to time) and which will be novated to the New Lessor pursuant to the Fourth Lease Novation

FSMA means the UK Financial Services and Markets Act 2000, as amended

GFSC means the Guernsey Financial Services Commission

Gross Asset Value means the total assets of the Company as determined in accordance with the principles adopted by the Directors

Gross Proceeds means the Placing Proceeds together with the monies to be made available to the Group under the New Loan Agreements

Group means the Company, the Borrowers, the Lessors and their subsidiaries from time to time or any one or more of them, as the context may require

Guernsey AML Requirements means the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999 together with any ordinances, rules or regulations made pursuant thereto (including, without limitation, the GFSC Handbook for Financial Services Businesses on Countering Financial Crime and Terrorist Financing and the GFSC Handbook for Legal Professionals, Accountants and Estate Agents on Countering Financial Crime and Terrorist Financing)

Guernsey Companies means the Company and the Borrowers

IFRS means International Accounting Standards and International Financial Reporting Standards (collectively IFRS) as issued by the International Accounting Standards Board and subsequently adopted by the European Union

ILFC means International Lease Finance Corporation

Independent Expert Valuer means a competent, internationally recognised person, independent of each of the Company, Norwegian, Thai Airways and each of the Lenders, and which is (a) carrying on the business of, or engaged in, valuing, and who is competent to value, commercial widebody aircraft and (b) able to assess the condition and value of the Assets

Initial Investor Total Asset Return per Share has the meaning set out on page 49 of this Prospectus

IPO Issue Price means US\$1.00 per Share

IPO means the placing of Shares as described in the IPO Prospectus

IPO Prospectus means the prospectus issued by the Company on 27 September 2013

Irish Corporate Services Agreement means an agreement between the Existing Lessor and Alter Domus Limited pursuant to which Alter Domus (Ireland) Limited provides certain corporate and administration services to the Existing Lessor

IRR means internal rate of return

ISIN means the International Security Identification Number

Issue means the issue of the New Shares pursuant to the Placing

Issue Price means US\$1.0589 per New Share

ISTAT means the International Society of Transport Aircraft Trading

JS Holding means JS Holding GmbH & Co KG, a parent of DS Aviation

Lease or **Leases** means the First Lease, the Second Lease, the Third Lease and/or the Fourth Lease, or any other lease into which the Company directly or indirectly enters, as the context requires

Lease Rentals means the monthly rental payable by the relevant Lessees under the relevant Leases, as further described in Part VI of this Prospectus

Lessee means the Existing Lessee or the New Lessee or (as the context may require) any counterparty to whom an Asset is leased from time to time

LIBOR means the London Interbank Offer Rate

Liquidity Proposal means a proposal to be made by the Directors that the Company should proceed to an orderly wind-up at the end of the term of the Leases

Liquidity Proposal Meeting means a general meeting of the Company convened by no later than 30 June 2026 at which the Liquidity Proposal will be presented

Liquidity Reserve means a reserve of the Company accumulated from surplus cashflow from the Leases in order to fund contingencies

Loan Agreement or **Loan Agreements** means the First Loan Agreement, the Second Loan Agreement, the Third Loan Agreement and/or the Fourth Loan Agreement

Loan or **Loans** means the First Loan, the Second Loan, the Third Loan and/or the Fourth Loan, as the context requires

Loan Repayments means the monthly in arrears repayments of the relevant Loan in accordance with the terms of the relevant Loan Agreement

London Stock Exchange or **LSE** means London Stock Exchange plc

LSE Admission Standards means the rules issued by the London Stock Exchange in relation to the admission to trading of, and continuing requirements for, securities admitted to the SFM

Memorandum of Incorporation means the memorandum of incorporation of the Company, the Borrowers or the Lessors, as the context may require, in force from time to time

NAS Loan Agreements or **Existing Loan Agreements** means the First Loan Agreement and the Second Loan Agreement

NAS Leases means the First NAS Lease and/or the Second NAS Lease, as the context requires

NAS Sale Agreements or **Existing Sale Agreements** means the First Sale Agreement and the Second Sale Agreement

NAS Seller means:

- (a) in respect of the First Asset, Wilmington Trust SP Services (Dublin) Limited, not in its individual capacity but solely as trustee under Aircraft 78B-35304 (Ireland) Trust;
- (b) in respect of the Second Asset, Wilmington Trust SP Services (Dublin) Limited, not in its individual capacity but solely as trustee under Aircraft 78B-35305 (Ireland) Trust

New Assets means the Third Asset and the Fourth Asset

New Borrowers means the Third Borrower and the Fourth Borrower

Net Asset Value or **NAV** means the value of the assets of the Company less its liabilities determined in accordance with IFRS

New Lease Novations or **Thai Lease Novations** means the Third Lease Novation and/or the Fourth Lease Novation, as the context requires

New Lender or **New Lenders** means any lender under the New Loans

New Lessee means Thai Airways

New Lessor means DP Aircraft UK Limited

New Loan Agent means the facility in its capacity as agent under the New Loan Agreement

New Loan Finance Parties means the New Lenders, the New Loan Agent and the New Loan Security Trustee

New Loan Security Trustee means the security trustee acting on behalf of the New Lenders in relation to the New Loan

New Loans means the new loans to be provided under the Thai Loan Agreements

New Shares or **Placing Shares** means Shares to be issued pursuant to the Placing

NOK means the lawful currency of Norway

Non-Qualified Holder means any person whose ownership of New Shares may (i) cause the Company's assets to be deemed "plan assets" for the purposes of ERISA, or the U.S. Tax Code; (ii) cause the Company to be required to register as an "investment company" under the U.S. Investment Company Act (including because the holder of the shares is not a **qualified purchaser** as defined in the U.S. Investment Company Act); (iii) cause the Company to register under the U.S. Exchange, the U.S. Securities Act or any similar legislation; (iv) cause the Company not being considered a **Foreign Private Issuer** as such term is defined in rule 3b-4(c) under the U.S. Exchange Act; (v) result in a person holding New Shares in violation of the transfer restrictions put forth in any prospectus published by the Company, from time to time; or (vi) cause the Company to be a **controlled foreign corporation** for the purposes of the U.S. Tax Code, or may cause the Company to suffer any pecuniary disadvantage (including any excise tax, penalties or liabilities under ERISA or the U.S. Tax Code)

Norwegian means Norwegian Air Shuttle ASA

Placing means the placing of 96,333,333 New Shares by Canaccord Genuity pursuant to the terms of the Placing Agreement as described in this Prospectus

Placing Agent means Canaccord Genuity in its capacity as placing agent under the Placing Agreement

Placing Agreement means the conditional agreement between the Company, JS Holding, DS Aviation and Canaccord Genuity, a summary of which is set out in paragraph 8 of Part XIII of this Prospectus

Placing Amount means US\$102.0 million

Placing Proceeds means the aggregate value of the New Shares issued under the Placing (taken at the Issue Price)

Principal Documents means the Thai Sale Agreements, the New Lease Novations and the New Loan Agreements

Prospectus Rules means the prospectus rules made by the FCA under section 73(A) Financial Services and Markets Act 2000

QIB means a qualified institutional buyer as defined in Rule 144A under the U.S. Securities Act

QP means a qualified purchaser as defined in section 2(a) (51) of the U.S. Investment Company Act

Registrar Agreement means the registrar agreement between the Company and the Registrar, dated 19 September 2013, a summary of which is provided in the paragraph 8 of Part XIII of this Prospectus

Registrar means Capita Registrars (Guernsey) Limited

RIS means a regulatory information service

Risk Factors means the risk factors pertaining to the Company and the Shares set out on pages 18 to 31 of this Prospectus

Sale Agreement or **Sale Agreements** means the First Sale Agreement, the Second Sale Agreement, the Third Sale Agreement and/or the Fourth Sale Agreement, as the context requires

Second Asset means the Boeing 787-8 aircraft with manufacturer serial number 35305 together with the Engines and, where the context permits, including all records, the manuals and the technical records, technical data and other materials and documents kept in accordance with the requirements of the Lease relating to this Asset

Second Borrower means DP Aircraft Guernsey II Limited

Second Head Lease means the head lease to be entered into between the Fourth Borrower and the New Lessor in respect of the Fourth Asset

Second Lease Novation means the novation (or 'Assignment, Assumption and Amendment Agreement') of the Second Lease entered into between the NAS Seller for the Second Aircraft, the Existing Lessor as new lessor and Norwegian Airways as lessee

Second Loan Agreement means the loan agreement entered into between the Second Borrower and the Existing Loan Finance Parties, a summary of which is set out in Part IX of this Prospectus

Second Loan means the loan of US\$79,800,000 advanced by the Existing Lenders to the Second Borrower pursuant to the Second Loan Agreement

Second NAS Lease or **Second Lease** means the lease agreement dated 27 April 2011 in respect of the Second Asset between Norwegian (as lessee) and the NAS Seller (as lessor) (as amended and supplemented from time to time) and which was novated by the NAS Seller to the Existing Lessor pursuant to the Second Lease Novation

Second Sale Agreement means the sale and purchase agreement entered into between the Second Borrower and the NAS Seller relating to the purchase of the Second Asset

Seller means:

- (a) in respect of the First Asset, Wilmington Trust SP Services (Dublin) Limited, not in its individual capacity but solely as trustee under Aircraft 78B-35304 (Ireland) Trust;

- (b) in respect of the Second Asset, Wilmington Trust SP Services (Dublin) Limited, not in its individual capacity but solely as trustee under Aircraft 78B-35305 (Ireland) Trust;
- (c) in respect of the Third Asset, AerCap Ireland Capital Limited, as Regular Trustee of Series One of AerCap Global Aviation Trust; and
- (d) in respect of the Fourth Asset, AerCap Ireland Capital Limited, as Regular Trustee of Series One of AerCap Global Aviation Trust

SFM means the Specialist Fund Market of London Stock Exchange plc

Share or **Shares** means ordinary preference shares of no par value in the capital of the Company issued as **Ordinary Preference Shares** and carrying the rights and obligations set out in the Articles

Shareholder means a holder of Shares and/or New Shares as the context requires, collectively the **Shareholders**

Shareholding means a holding of Shares and/or New Shares as the context requires

Sterling or **£** means the lawful currency of the United Kingdom

Subordinated Administrative Shares means subordinated administrative shares of no par value in the Company issued as 'Subordinated Administrative Shares' and carrying the rights as set out in the Articles

Technical Services Agreement means an agreement between the Existing Lessor and the Technical Services Consultant in respect of the matters more specifically set out in paragraph 8 of Part XIII of this Prospectus

Technical Services Consultant means GerMic Aviation Safety and Regulatory Consultants Ltd

Thai Airways means Thai Airways International Public Company Limited, commercially branded "Thai"

Thai Loan Agreements or **New Loan Agreements** means the Third Loan Agreement and the Fourth Loan Agreement

Thai Leases means the Third Thai Lease and/or the Fourth Thai Lease, as the context requires

Thai Sale Agreements or **New Sale Agreements** means the Third Sale Agreement and the Fourth Sale Agreement

Thai Seller means:

- (a) in respect of the Third Asset, AerCap Ireland Capital Limited as Regular Trustee acting in its capacity as trustee of Series One of AerCap Global Aviation Trust; or
- (b) in respect of the Fourth Asset, AerCap Ireland Capital Limited as Regular Trustee acting in its capacity as trustee of Series One of AerCap Global Aviation Trust

Third Asset means the Boeing 787-8 aircraft with manufacturer serial number 36110 together with the Engines and, where the context permits, including all records, the manuals and the technical records, technical data and other materials and documents kept in accordance with the requirements of the Lease relating to this Asset

Third Borrower means DP Aircraft Guernsey IV Limited

Third Lease Novation means the novation (or Assignment, Assumption and Amendment Agreement) of the Third Lease to be entered into between the Thai Seller for the Third Asset, the New Lessor as new lessor and Thai Airways as lessee

Third Loan Agreement means the loan agreement to be entered into between the Third Borrower and the New Loan Finance Parties, a summary of which is set out in Part IX of this Prospectus

Third Loan means the loan of up to US\$78,500,000 to be advanced by the New Lenders to the Third Borrower pursuant to the Third Loan Agreement

Third Sale Agreement means the sale and purchase agreement to be entered into between the third Borrower and the Thai Seller relating to the purchase of the Third Asset

Third Thai Lease or **Third Lease** means the lease agreement dated 26 August 2011 in respect of the Third Asset between Thai Airways (as lessee) and the Thai Seller (as lessor) (as amended and supplemented from time to time) and to be novated to the New Lessor pursuant to the Third Lease Novation

Total Loss means in relation to any property, any of the following events:

- (a) the actual or constructive total loss of such property (including any damage to such property which results in an insurance settlement on the basis of a total loss, or requisition for use or hire of an Asset which results in an insurance settlement on the basis of a total loss);
- (b) such property being destroyed or damaged beyond repair, or the use of such property for transportation of persons is prohibited by the Aviation Authority or otherwise in accordance with Applicable Law affecting aircraft of the type of an Asset for a period exceeding six (6) consecutive calendar months by reason of Applicable Law;
- (c) the compulsory acquisition of such property; or
- (d) the hijacking, theft, confiscation, capture, detention, seizure or requisition for use or hire of such property, other than where the same amounts to compulsory acquisition of such property, which deprives the operator of the use of the relevant Asset for more than ninety (90) consecutive days, excluding requisition for use or hire by any government entity of the State of Registration

Total Loss Date means the date on which the Total Loss occurs in accordance with the provisions of the relevant Lease(s)

Trust Agreement means the trust agreement in relation to the First Asset or the Second Asset entered into between the Existing Lessor (as trustee) and the relevant Existing Borrower (as beneficiary) and the Trust Agreements means both trust agreements in relation to the Existing Assets

Trust means the trust created by the Trust Agreement

UK Transfer Agent means Capita Registrars as appointed by the Registrar pursuant to the Registrar Agreement

uncertificated form or **in uncertificated form** means recorded on the register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST

United States or **U.S.** means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia

US Dollar, US\$ or **cents** means the lawful currency of the United States

U.S. Exchange Act means the U.S. Securities Exchange Act of 1934, as amended

U.S. Investment Company Act means the U.S. Investment Company Act of 1940, as amended

U.S. Person has the meaning given to it in Regulation S under the U.S. Securities Act

U.S. Securities Act means the U.S. Securities Act of 1933, as amended

U.S. Subscription Agreement means the form of subscription agreement to be entered into between the Company and any investor who is located in the United States or is a U.S. Person that is a QIB and also a QP prior to delivery of New Shares to such investor

U.S. Tax Code means the U.S. Internal Revenue Code of 1986, as amended

APPENDIX

AIFM DIRECTIVE DISCLOSURES

- 1.1 The Company is categorised as an internally managed non-EEA AIF for the purposes of the AIFM Directive. The Company intends to comply with the conditions specified in Article 42(1)(a) of the AIFM Directive in order that the New Shares may be marketed to professional investors in the United Kingdom subject to compliance with the other conditions specified in Article 42(1) of the AIFM Directive and the relevant provisions of the national laws of such EEA States.
- 1.2 The conditions specified in Article 42(1)(a) of the AIFM Directive include, *inter alia*, a requirement that the Company make available certain specified information to prospective investors prior to their investment in the Company, in accordance with Article 23 of the AIFM Directive. This information, or where Shareholders can find such information, is set out below:
- (a) Part I of this Prospectus contains a description of the investment strategy and objectives of the Company, the types of assets in which the Company may invest, the techniques it may employ, any applicable investment restrictions and the procedures by which the Company may change its investment strategy or investment policy. There are no arrangements for collateral or asset reuse.
 - (b) Part I of this Prospectus contains a description of the circumstances in which the Company may use leverage, the types and sources of leverage permitted, restrictions on the use of leverage and the maximum level of leverage which the Company is entitled to employ. As at the date of this Prospectus, the Company has available to it two loan facilities pursuant to the Existing Loan Agreements, details of which are set out in Part IX of this Prospectus.
 - (c) The key risks associated with the investment strategy, objectives and techniques of the Company and with the use of leverage by the Company are contained in the section of the Prospectus entitled "Risk Factors".
 - (d) A description of the main legal implications of the contractual relationships entered into for the purpose of investment in the Company under the Placing is contained in Part XV of this Prospectus.
 - (e) The Company is incorporated under the laws of Guernsey and accordingly, (except as detailed below), any disputes between an investor and the Company will be resolved by the Royal Courts of Guernsey in accordance with Guernsey law. Notwithstanding the foregoing, any disputes between an investor and the Company relating to the contract to subscribe for New Shares will be governed by, and construed in accordance with, the laws of England and Wales and the Judgements (Reciprocal Enforcement) (Guernsey) Law 1957 shall apply. Accordingly, a final and conclusive judgment, capable of execution, obtained in the Supreme Court and the Senior Courts of England and Wales (excluding the Crown Court) would be recognised and enforced by the Royal Courts of Guernsey without re-examination of the merits of that case, but would be subject to compliance with procedural and other requirements of Guernsey's reciprocal enforcement legislation.
 - (f) The Company is categorised as an internally managed non-EEA AIF and so is not subject to the AIFM Directive requirements relating to the appointment of depositaries. The Asset Manager, the auditor and other service providers are detailed in this Prospectus under the section headed "Directors and Advisors". Descriptions of the duties of the Asset Manager, the auditor and service providers to the Company are contained in Part II of this Prospectus. All key service providers are appointed directly by the Company. Service providers are appointed following appropriate evaluation and the Directors have ensured that the contractual arrangements with key service providers are appropriate. Investors enter into a contractual relationship with the Company when subscribing for New Shares; they do not have any direct contractual relationship with, or rights of recourse to, the service providers in respect of any of such service provider's default pursuant to the terms of the agreement it has entered into with the Company.
 - (g) As an internally managed non-EEA AIF, the Company is not be required to comply with Article 9(7) of the AIFM Directive relating to professional liability risk.

- (h) As described above, the Company will not be subject to the AIFM Directive requirements relating to the appointment of depositaries and no arrangements have been made for a depositary to contractually discharge itself of liability in accordance with Article 21(13) of the AIFM Directive (as no depositary has been appointed). As an internally managed non-EEA AIF, the Board is responsible for the determination of the Company's investment objective and policy and has overall responsibility for its activities.
- (i) As an internally managed non-EEA AIF, the Company is not subject to the provisions concerning valuation procedures in Article 19 of the AIFM Directive. In that context, Part I of this Prospectus contains a description of the Company's valuation procedure and of the pricing methodology for valuing assets, including the methods used in valuing hard-to-value assets.
- (j) Redemptions of New Shares are not permitted; however, the Shares are (and the New Shares will be) admitted to trading on the Specialist Fund Market (**SFM**) of the London Stock Exchange and are freely transferable. As an internally managed non-EEA AIF, the Company is not subject to the provisions concerning liquidity management in Article 16 of the AIFM Directive. In that context, as regards liquidity risk management, the Company has no formal discount control mechanism nor a share buyback programme. The exercise by the Board of the Company's powers to repurchase Shares pursuant to a general repurchase authority is entirely discretionary and investors should place no expectation or reliance on the Board exercising such discretion on any one or more occasions. The Board shall ensure that the Company maintains a level of liquidity in its assets having regard to its obligations and shall monitor liquidity accordingly.
- (k) Part II of this Prospectus contain descriptions of all fees, charges and expenses and, where applicable, the maximum amounts thereof, which are borne by the Company, (and thus indirectly by investors). There is, however, no maximum cap on the total amount of fees, charges and expenses which may be indirectly borne by investors. There are no expenses charged directly to investors by the Company.
- (l) As its Shares are admitted and the New Shares (when in issue) will be admitted to trading on the SFM of the London Stock Exchange, the Company will be required to comply with, inter alia, the relevant provisions of the Disclosure and Transparency Rules, which operate to ensure a fair treatment of investors. As at the date of this Prospectus, no investor has obtained preferential treatment or the right to obtain preferential treatment.
- (m) The procedure and conditions for the issue and sale of New Shares under the Placing (including certain conditions on the sale and transfer of such Shares) are contained in Part XI to this Prospectus.
- (n) The audited annual report in respect of the period from 5 July 2013 to 31 January 2014 is incorporated by reference into the Prospectus in Part XI. Its latest Net Asset Value per Share and the latest market price of the Shares are available at www.londonstockexchange.com.
- (o) The Company has not appointed a prime broker.
- (p) The information required under paragraphs 4 and 5 of Article 23 of the AIFM Directive is disclosed to investors in the Company's annual report.

If there are any material changes to any of the information referred to above, such changes will be notified to investors in the Company's annual report, in accordance with Article 23 of the AIFM Directive.

