



**NOTE: THIS NOTICE CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE REGISTERED AND BENEFICIAL OWNERS OF THE SUBJECT SECURITIES. IF APPLICABLE, ALL DEPOSITORIES, CUSTODIANS, AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO EXPEDITE RE-TRANSMITTAL TO SUCH BENEFICIAL OWNERS IN A TIMELY MANNER.**

June 28, 2016

To: The Addressees Listed on Schedule I Hereto

**Re: Airplanes Limited – Trust Indentures dated as of March 28, 1996 –  
Notice of Events of Default and Notice of Default**

Reference is made to that certain (i) Trust Indenture dated as of March 28, 1996 (as amended, modified or supplemented from time to time, the “Airplanes Limited Indenture”) by and among Airplanes Limited, as issuer of the Airplanes Limited Notes, Airplanes U.S. Trust (“Airplanes Trust”), as guarantor of the Airplanes Limited Notes, and Deutsche Bank Trust Company Americas (formerly known as Bankers Trust Company)(“DBTCA”), as trustee of the Airplanes Limited Notes (the “Airplanes Limited Indenture Trustee”), (ii) Trust Indenture dated as of March 28, 1996 (as amended, modified or supplemented from time to time, the “Airplanes Trust Indenture”, and together with the Airplanes Limited Indenture, the “Indentures”) by and among Airplanes Trust, as issuer of the Airplanes Trust Notes, Airplanes Limited, as guarantor of the Airplanes Trust Notes, and DBTCA, as trustee of the Airplanes Trust Notes (the “Airplanes Trust Indenture Trustee”, and together with the Airplanes Limited Indenture Trustee, the “Indenture Trustee”), (iii) Pass Through Trust Agreement dated as of March 28, 1996 (as amended, modified or supplemented from time to time, the “Trust Agreement”) by and among Airplanes Limited and Airplanes Trust, as note issuers, and DBTCA, as trustee (the “Pass Through Trustee”), and (iv) that certain Security Trust Agreement dated as of March 28, 1996 (as amended, modified or supplemented from time to time, the “Security Trust Agreement”) by and among Airplanes Limited and Airplanes Trust, as issuers, the Issuer Subsidiaries party thereto, the Indenture Trustee, DBTCA, as security trustee (the “Security Trustee”) and reference agent, and the other parties party thereto. Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Indentures, the Trust Agreement or the Security Trust Agreement, as the case may be.

## Notice of Events of Default and Acceleration

The Indenture Trustee, the Pass Through Trustee and the Security Trustee have received from the Certificateholders of at least a majority of the aggregate Outstanding Principal Balance of the Subclass A-9 Certificates (the “Controlling Holders”) written notice asserting the existence of two Events of Default under the Airplanes Limited Indenture in connection with the litigation filed by Transbrasil, a former lessee of aircraft from Airplanes Holdings Limited (“Holdings”), a subsidiary of Airplanes Limited (the “Transbrasil Litigation”) and the reserve established by the Boards of Airplanes Limited and Airplanes Trust with respect thereto (the “Reserve”). A copy of the written notice from the Controlling Holders is attached hereto as Exhibit A (the “Direction Letter”).

As more specifically set forth in the Direction Letter, the Controlling Holders assert that Events of Default exist under (i) Section 4.01(h) of the Airplanes Limited Indenture, as a result of a judgment rendered against Holdings in excess of \$100 million in connection with the Transbrasil Litigation, which they contend has not been remedied in light of the maintenance of the Reserve, and (ii) Section 4.01(c) of the Airplanes Limited Indenture, caused by the Issuer’s purported failure to pay an amount (other than interest) when due and payable in connection with a Note as a result of the maintenance of the Reserve, which the Controlling Holders contend is a misclassification of the potential liability of the Transbrasil Litigation as an Expense (collectively, the “Airplanes Limited Events of Default”).

On the basis of the Airplanes Limited Events of Default, we have been directed by the Controlling Holders pursuant to Section 5.01 of the Trust Agreement and Section 4.02 of the Airplanes Limited Indenture to deliver this Default Notice declaring the Outstanding Principal Balance of the Notes (as such term is defined in the Airplanes Limited Indenture) and all accrued and unpaid interest thereon to be due and payable. In connection with the foregoing, the Security Trustee intends to retain the Collateral intact and refrain from distributing amounts from the Accounts pending further discussion regarding remedies and appropriate direction from the Controlling Holders.

Pursuant to Section 4.01(e) of the Airplanes Trust Indenture, an Event of Default under the Airplanes Limited Indenture also constitutes an Event of Default thereunder. We hereby give notice of the occurrence of this Event of Default.

## Notice of Default

In addition to the Airplanes Limited Events of Default, the Controlling Holders have notified the Indenture Trustee, the Pass Through Trustee and the Security Trustee in the Direction Letter of a Default with respect to an asserted covenant breach under Section 5.02(e)(ii) of the Airplanes Limited Indenture resulting from Airplanes Limited’s involvement in the Transbrasil Litigation, including the creation of the Reserve. The claims underlying the asserted Default are discussed more specifically in the Direction Letter.

We have been directed by the Controlling Holders to deliver this letter as a written notice of Default to Airplanes Limited contemplated by Section 4.01(d) of the Airplanes Limited

Indenture. Pursuant to Section 4.01(d) of the Airplanes Limited Indenture, failure by Airplanes Limited to comply with any of the covenants, obligations, conditions or provisions under the Airplanes Limited Indenture will constitute an Event of Default if such failure or breach materially adversely affects the holders of the Senior Class of Notes and continues for a period of 30 days after written notice to Airplanes Limited by the Senior Trustee. Accordingly, if Airplanes Limited fails to appropriately address and, if necessary, rectify the possible covenant breach identified in this letter and the Direction Letter within 30 days from the date hereof then it may be determined that an Event of Default has resulted upon which the Controlling Holders may pursue appropriate remedies under the Airplanes Limited Indenture.

Additional Provisions and Communications with the Indenture Trustee, the Pass Through Trustee and the Security Trustee

Please be advised that the Indenture Trustee, the Pass Through Trustee and the Security Trustee reserve all of the rights, powers, claims and remedies available to them, the Certificateholders and the Noteholders under the transaction documents and applicable law. No delay or forbearance by the Indenture Trustee, the Pass Through Trustee or the Security Trustee to exercise any right or remedy accruing upon the occurrence of a default, or otherwise under the terms of the transaction documents, other documentation relating thereto or under applicable law, shall impair any such right or remedy or constitute a waiver thereof or an acquiescence therein.

If you have questions of the Indenture Trustee, the Pass Through Trustee or the Security Trustee regarding this Notice or other related matters, please contact Brendan Meyer at [brendan.meyer@db.com](mailto:brendan.meyer@db.com) or direct your questions to:

Deutsche Bank Trust Company Americas  
c/o Deutsche Bank National Trust Company  
Global Securities Services  
100 Plaza One, 6<sup>th</sup> Floor  
MS JCY03-0699  
Jersey City, NJ 07311-3901  
Attention: Brendan Meyer

With a copy to:

Seward & Kissel LLP  
One Battery Park Plaza  
New York, NY 10004  
Attention: Andrew Silverstein  
Email: [silversteina@sewkis.com](mailto:silversteina@sewkis.com)

Certificateholders and Noteholders should not rely on the Indenture Trustee, the Pass Through Trustee or the Security Trustee as their sole source of information. Please note that the foregoing is not intended and should not be construed as investment, accounting, financial, legal or tax advice by or on behalf of the Indenture Trustee, the Pass Through Trustee and the Security Trustee, or their directors, officers, affiliates, agents, attorneys or employees. Each person or

entity receiving this notice should seek the advice of its own counsel and advisers in respect of the matters set forth herein.

DEUTSCHE BANK TRUST COMPANY AMERICAS,  
as Indenture Trustee, Pass Through Trustee and Security  
Trustee

## SCHEDULE I

### Addressees

Holders of the Airplanes Pass Through Certificates  
of the Respective Subclass Pass Through Trusts:

Series	CUSIP <sup>1</sup>
Subclass A-9	009451AP0
Class B	009451AM7
Class C	009451AG0
Class D	009451AH8

Holders of the Class E Notes  
issued by Airplanes Limited and  
Airplanes U.S. Trust

Deutsche Bank Trust Company Americas,  
as Pass Through Trustee, Indenture  
Trustee and Security Trustee  
c/o Deutsche Bank National Trust  
Company  
Global Securities Services (GSS)  
100 Plaza One, 6<sup>th</sup> Floor  
MS JCY03-0699  
Jersey City, NJ 07311-3901

Airplanes Limited  
13 Castle Street, St. Helier  
Jersey, JE4 5UT  
Channel Islands

Airplanes U.S. Trust  
1100 North Market Street  
Rodney Square North  
Wilmington, Delaware 19890

AerCap Financial Services (Ireland) Limited,  
as Administrative Agent and Cash  
Manager  
Westpark Business Campus, Bldg. 4000  
4450 Atlantic Avenue  
Shannon, County Clare  
Ireland

Moody's  
7 World Trade Center  
250 Greenwich Street  
New York, NY 10007

Standard & Poor's  
55 Water Street, 41<sup>st</sup> Floor  
New York, NY 10041

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<sup>1</sup> The CUSIP numbers appearing herein have been included solely for the convenience of the Certificateholders. Deutsche Bank Trust Company Americas assumes no responsibility for the selection or use of such numbers and make no representation as to the correctness of the CUSIP numbers listed herein.

**EXHIBIT A**

Direction Letter

June 16, 2016

**VIA E-MAIL & OVERNIGHT COURIER**

Deutsche Bank National Trust Company for  
Deutsche Bank Trust Company Americas, in  
its capacity as Security Trustee

Deutsche Bank National Trust Company for  
Deutsche Bank Trust Company Americas, in  
its capacity as trustee under the Airplanes  
Limited Indenture for the Subclass A-9 Notes

Deutsche Bank National Trust Company for  
Deutsche Bank Trust Company Americas, in  
its capacity as trustee under the Airplanes Pass  
Through Trust Agreement for the Subclass A-  
9 Certificates (*Cusip No: 009451AP0*)

Re: *In re Airplanes Limited*

To Whom it May Concern:

We are fund managers and investment managers forming an ad hoc committee comprised of approximately 88% of the beneficial holders, or advisors to certain of their clients that are beneficial holders (“Certificateholders”), as individually certified to below, of the Subclass A-9 Pass Through Certificates (“A-9 Certificates”) issued pursuant to the May 28, 1996 Airplanes Pass Through Trust Agreement between Airplanes Limited, Airplanes U.S. Trust, and Deutsche Bank National Trust Company as successor to Bankers Trust Company (as amended, including by the 2001 Subclass A-9 Trust Supplement creating the A-9 Certificates, the “Pass Through Agreement”).<sup>1</sup> Airplanes Group means Airplanes Limited, Airplanes U.S. Trust and their respective subsidiaries.

The A-9 Certificates represent fractional undivided beneficial interests in certain Airplanes Group Notes, which are governed by a March 28, 1996 Trust Indenture between Airplanes Limited as issuer of the Subclass A-9 Notes, Airplanes U.S. Trust as guarantor of the Subclass A-9 Notes, and Deutsche Bank National Trust Company as successor to Bankers Trust Company, as initial indenture trustee (as amended, the “Trust Indenture”). The Trust Indenture provides for a Senior Trustee (the “Indenture Trustee”) that acts on behalf of the Senior Class of the Notes. The Senior Class of Notes consist of the Airplanes Group Notes that are the Subclass A-9 Notes backing the A-9 Certificates (“A-9 Notes”).

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<sup>1</sup> Unless otherwise defined, all capitalized terms have the meaning in which the context instructs pursuant to the agreements at issue in this letter.

**Certificateholders Instruct You to Provide Default Notices and an Acceleration Declaration to the Trust Indenture and Direct the Indenture Trustee to Deliver such Notices and Declaration to Other Transaction Parties**

Pursuant to Section 5.01 of the Pass Through Agreement, the controlling Certificateholders hereby notify you in your role as Senior Trustee thereunder (“Pass Through Trustee”) that there exist at least two Events of Default under Section 4.01 of the Trust Indenture. Specifically, and without limitation:

(i) In May of 2010, a judgment was rendered against Airplanes Holdings Limited (a subsidiary of Airplanes Limited) by the Appellate Court of the State of Sao Paulo in connection with litigation filed by Transbrasil, a former lessee of aircraft from Airplanes Holdings Limited (“Transbrasil Litigation”), which Transbrasil Litigation is predicated upon the conduct of GE Capital Aviation Services Limited (“GECAS”). Thereafter, orders to pay were issued with respect to Airplanes Holdings Limited in amounts in excess of \$100,000,000. A period of ten (10) consecutive days elapsed during which a stay of enforcement of the judgment or orders to pay were not in effect. These events constitute an Event of Default pursuant to Section 4.01(h) of the Trust Indenture, which Event of Default has not been remedied in view of the fact that the Board of Airplanes Limited has determined to establish a “Liquidity Reserve” on account of the Transbrasil Litigation in a targeted amount of \$190 million.

(ii) Section 3.08 of the Trust Indenture provides that the Cash Manager, on behalf of the Security Trustee, “shall distribute” funds in the order of priority provided for therein. Airplanes Limited has improperly determined that the Transbrasil Litigation comprises a \$190 million “Expense,” under the Trust Indenture, notwithstanding the fact that the Transbrasil Litigation is not a “fee, cost, or expense” incurred by Airplanes Group or any of its subsidiaries “in the course of business activities” permitted under the Trust Indenture. *Id.* § 5.02(e). This improper classification has resulted in an Event of Default under Section 4.01(c) of the Trust Indenture because there has been a “failure to pay any amount (other than interest) when due and payable in connection with any Note, to the extent that there are, at such time, funds available for such payment in the Collection Account, and the continuance of such default for a period of two Business Days or more.”<sup>2</sup>

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<sup>2</sup> Pursuant to Section 4.01(d), we are also instructing you, as the Pass Through Trustee, to provide written notice to Airplanes Limited that it has materially breached a material covenant (*Id.* § 5.02(e)(ii)) that adversely affects the Holders of the A-9 Notes. We hereby instruct you, upon expiration of the 30-day notice period under Section 4.01(d), as the Pass Through Trustee, to declare an additional Event of Default under such section. Airplanes Limited’s involvement in the Transbrasil Litigation, including the incurrence of any



Pursuant to Section 5.01 of the Pass Through Agreement, the Certificateholders hereby provide written direction to the Pass Through Trustee to (i) notify the Indenture Trustee of the Events of Default and to vote 88% of the outstanding A-9 Notes corresponding with the A-9 Certificates to direct the Indenture Trustee to declare, pursuant to Section 4.02 of the Trust Indenture, the Outstanding Principal Balance of, and any accrued but unpaid interest on, the A-9 Notes to be immediately due and payable, and (ii) to direct the Indenture Trustee to deliver such Events of Default notice and acceleration declaration to the Trustees of each subclass and class of Certificates, the Indenture Trustees of each subclass and class of Notes, the Security Trustee, the Cash Manager, the Administrative Agent and Airplanes Limited.

### **Certificateholders Instruct You to Cause the Security Trustee to Exercise Remedies**

Pursuant to the Security Agreement, the Security Trustee has been granted, exclusively for its benefit and the benefit of the other Secured Parties, a security interest in Airplane Group's Collateral. *Id.* at § 2.01. Collateral includes, but is not limited to, (i) all funds received by Airplanes Limited or funds or any other interest held or required by the terms of the Trust Indenture

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expenses related thereto and the creation of the aforementioned Liquidity Reserve, is not a permitted business or activity under Section 5.02(e) of the Trust Indenture. In fact, the Trust Indenture explicitly prohibits any business or activity relating to Lessees or their affiliates (which includes the Transbrasil Litigation plaintiff) that involves Airplanes Limited supporting obligations or liabilities of any Airplanes Group Member, which includes Airplanes Holdings Limited, if doing so would "materially adversely affect the Noteholders". *Id.* § 5.02(e)(ii). Clearly, the Board's action on behalf of Airplanes Limited to divert available funds to create and maintain the aforementioned Liquidity Reserve instead of repaying the scheduled principal of the A-9 Notes is materially adverse to the Noteholders' interests.

Moreover, as Airplanes Group publicly disclosed on November 25, 2015, Airplanes Group has engaged in discussions with GECAS concerning the Transbrasil Litigation. We believe that such negotiations themselves comprise, and further contemplate, Airplanes Limited engaging in activities beyond those permitted under Section 5.02(e) of the Trust Indenture, thus forming another independent basis for an Event of Default pursuant to Section 4.01 of that same agreement.

Our analysis of Events of Default under the Trust Indenture is continuing, and we reserve the right to assert additional Events of Default; neither the execution, delivery nor effectiveness of this letter shall operate as a waiver of any default or Event of Default (including, without limitation, any Event of Default specified above) (whether or not known to the Pass Through Trustee or any Certificateholder) or any right, power or remedy of the Pass Through Trustee or any Certificateholder of any provision contained in the Pass Through Agreement, Indenture or any other document, whether as a result of any default or Event of Default or otherwise.

to be held in any Account, (ii) all deposit accounts possessed by the Security Trustee for or on behalf of the Secured Parties, and (iii) all of Airplanes Limited's right, title and interest in and to all deposit accounts and all funds or other interests therein, including any proceeds thereof. *Id.* at § 2.01(c), (e). Indeed, the "Security Trustee [has] sole dominion and control over the Accounts (including, *inter alia*, the sole power to direct withdrawals or transfers from the Accounts) ...." Trust Indenture at § 3.01. The foregoing includes the Expense Account and the Collections Account, in which in excess of \$193 million is currently maintained, and any ledger and subledger accounts maintained in either of such Accounts.

Under the Security Agreement, the Noteholder of the A-9 Notes, which is the Pass Through Trustee, is a Secured Party.<sup>3</sup> To be certain, no member of Airplanes Group is a Secured Party.

Therefore, the Certificateholders direct you, as the Pass Through Trustee, to direct the Indenture Trustee, to cause the Security Trustee to exercise its remedies with respect to the Collections Account and the Expense Account and any ledger and subledger accounts maintained in either of such Accounts. The Security Trustee should immediately exercise its right to collect, under New York Uniform Commercial Code § 9-607, and apply the balance of such Accounts to the A-9 Notes other than a reserve of \$2,000,000 for purposes of paying unpaid accrued and future fees and expenses incurred by the Pass Through Trustee, Indenture Trustee and Security Trustee.<sup>4</sup>

With respect to all of the foregoing, the Certificateholders are willing to offer the Pass Through Trustee reasonable indemnity as described in the Pass Through Agreement, the terms and provisions of such we stand ready to promptly negotiate.

### **Certificateholders' Representations and Warranties**

As of the date hereof, each of the undersigned Certificateholders hereby, severally and not jointly:

- (a) certifies and represents and warrants that:
  - a. it is the beneficial owner of, or the duly authorized investment advisor, representative or fund manager for the beneficial owner(s) of the A-9 Certificates, in the amount set forth on its signature page and certification attached hereto; and
  - b. this letter has been duly authorized, executed and delivered on its behalf and constitutes its legal, valid and binding obligations enforceable in accordance with their terms, except as such enforceability may be limited by (i) bankruptcy,

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<sup>3</sup> Security Agreement at p.3 (... each Grantor hereby agrees with the Security Trustee for its benefit and the benefit of the other Service Providers, the Airplanes Group Noteholders, the Class E Note Representative, the Class E Noteholders, and the Secured Swap Providers (each, a "Secured Party" and, collectively, the "Secured Parties"...).

<sup>4</sup> Pending this action, to state the obvious, you should not release any funds from the Collateral (and instruct the Cash Manager that it should not take any contrary action) in connection with any Airplanes Group proposed settlement with GECAS, which settlement would, inherently, be for the benefit of Airplanes Holdings Limited to the prejudice of the Secured Parties.

insolvency or other similar laws affecting creditors' rights generally and (ii) general principles of equity; and

(b) waives any defenses based upon the invalidity of such representations and warranties.

[SIGNATURE AND CERTIFICATION PAGES INTENTIONALLY OMITTED]