

Aviation link international

Beginning with its first Aircraft transaction, **AVIATION LINK INTERNATIONAL** has continually evolved its Aviation products to anticipate airline requirements, customer needs and changes in the business environment.

As a full-service provider, **AVIATION LINK INTERNATIONAL** delivers a wide array of valuable services via the operating lease including fleet planning and rationalization, revenue and route analysis, maintenance and product support programs, and more.

The **AVIATION LINK INTERNATIONAL** team develops, negotiates, executes and closes complex transactions from simple operating leases and fleet renewals to structured financings.

Speed and Simplicity

The **AVIATIONLINK INTERNATIONAL** culture is designed to deliver quick responses to customer needs.

Unencumbered by hierarchies, streamlined and highly effective teams transact business with speed and simplicity.

As a result, **AVIATIONLINK INTERNATIONAL** customers consistently benefit with leasing solutions created by experts committed to their long-term success, from one aircraft to an entire fleet, no matter how small or large the airline.

Route to Risk Management

AVIATIONLINK INTERNATIONAL Ltd can also open doors to a broad range of insurance coverage and risk management solutions from the Emerald family of companies, and subsidiaries offer aviation-related insurance, property and casualty, life, employee benefits, retirement services, and sophisticated customized risk management solutions.

AVIATIONLINK INTERNATIONAL comprise several separate, but complimentary business units:

-Up and Airport Development

Leasing

AVIATIONLINK INTERNATIONAL Aircraft Leasing is responsible for the acquisition and placement of aircraft on lease.

We service aircraft operators in both developed and emerging markets, and have placed aircraft in Africa, Asia & Middle East.

Management

AVIATIONLINK INTERNATIONAL Aircraft Management is responsible for offering comprehensive third party aircraft management services pertaining to all aspects of aircraft ownership

Lease Management Business Model

Key aspects of a successful aircraft lease management business model include:

- owned aircraft); active support of, the operators of the aircraft.

In addition Emerald's strategic model is built on the following principle pillars:

- Critical to sustainability is a comprehensive risk management we work with a particular focus on client credit risk, operating lease risk and asset value risk.

AVIATIONLINK INTERNATIONAL has initially focused on Asia's regional aviation sector.

Long term growth is forecast in this sector by industry leaders over the next 20 years. The company has a broader longer term focus on other major emerging markets.

– **AVIATIONLINK INTERNATIONAL** targets optimal utilization of its aircraft by its customers and therefore actively engages with its clients.

– **AVIATIONLINK INTERNATIONAL** is constantly examining opportunities in different aircraft types, technology and aviation property.

AIRCRAFT LEASING

Acquire and leases regional aircraft and other aviation assets.

independently, the aircraft is leased on a branded wet lease basis through an **AVIATIONLINK INTERNATIONAL** approved, ACMI operator.

AVIATIONLINK INTERNATIONAL strategy is to grow the portfolio through accretive acquisitions of aircraft, while paying decent returns to its shareholders

AIRCRAFT MANAGEMENT

AVIATIONLINK INTERNATIONAL Ltd offers comprehensive third party aircraft management services covering all aspects of aircraft ownership. Our aircraft management services include:

e of the aircraft

We translate these services through into the consulting services we offer when we consult on the start-up of new airline operations. We are able to consult on and assist with all aspects of airline development.

AIRLINE START-UP

Planning a New Airline

The two main reasons why start-up airlines fail, and perhaps the ones that you have the

Greatest influence over, are your airline management team and capitalization. These two

Elements are essential ingredients to get right if your airline is to survive & flourish.

What you do need to get going on this exciting and rewarding adventure is: The consulting services we offer include all aspects of airline and operational set-up.

Including but not limited to:

cess

-key provision of flight crew

-currency training

-key maintenance planning and management of the full maintenance function

-up and advice

Liaising with Civil Aviation Authority in the country of operation

-sharing opportunities and appropriate code-share partners (ticket reservation system).

Airport Development and Consulting

In addition to our Airline Consulting, we offer input into Airport Development as well as recommendations and installation of an appropriate A.O.D.B system (Airport Operating Database management System). This professional input is rendered mindful of all the prevailing factors which have a bearing upon the airport, including but not limited to:

AIRCRAFT: PURCHASE or LEASE

Many factors influence the decision process but basically these can be broken down into three main areas:

Aircraft Usage

Seasonal variations in aircraft capacity (such as summer vs. winter or holidays like Hajj etc.) can obviously cause issues, either not enough aircraft in summer or too many planes in winter! One way to overcome the shortfall in aircraft during the peak seasons is to utilize an ACMI lease agreement for the extra aircraft. If the airline has too many aircraft,

The LESSOR provides the aircraft, one or more complete crews (flight deck, cabin attendants and engineers) including their salaries but usually not their daily allowances, all maintenance for the aircraft and insurance, which usually includes hull and third party liability. The LESSOR will charge for the block hour (choc off to choc on) and depending on the aircraft type, sets a minimum guaranteed block hours limit per month.

If the airplane flies or not, the LESSEE must pay the amount for the minimum guaranteed block hours. The period can go from one month to usually one to two years or more.

Organizational Structure

If your organization does not have, or access to, or does not intend to obtain an AOC then you cannot lease an aircraft for a commercial operation. In this situation flights can only be operated under a public charter contract. A third party airline or aircraft operator would perform the flights under their AOC and be responsible for all aspects of the flight.

Tour operators and small start-up airlines may well use this option rather than going through the certification process before startup

Financial Status.

A major decision an aircraft Lessor makes when placing an aircraft on lease is to evaluate the risk factor! The two main types of leases (ACMI and Dry lease) have different risk Factors. The owner/operator of an ACMI agreement retains control of the aircraft, and

Therefore, has more security over their asset than does the Lessor in a dry lease agreement

As the Lessee has control of the aircraft throughout the dry lease period. The Lessor of a dry lease agreement generally requires that the Lessee has a solid Operating history, 3 years of positive financial statements and the sufficient funding, Therefore, it can be difficult for an airline to lease an airplane without these requirements.

In order for one to do so, the potential Lessee will need to provide the Lessor with a solid

Business plan, profile of the investors and senior management, and have clear proof of Available funding. Please note that some Lessors may have slightly different requirements.

Cost of purchasing an aircraft can be restrictive to an airline that wants to start or expand

it's fleet. Leasing allows the cost to be spread across several years. At the lease term the

Lessee can either renew the lease or returned the aircraft to the lessor, to be replaced with more modern, fuel-efficient aircraft

LEASE DEFINITIONS

ACMI - Aircraft, Crew, Maintenance & Insurance

Everything less than one month can be considered as ad-hoc charter. The Lessee has to provide all fuel, landing/handling/parking/storage fees, crew HOTAC including meals and transportation as well as visa fees, import duties where applicable, as well as local taxes. Furthermore, the LESSEE has to provide passenger/luggage and cargo insurance and in some cases need to cover the costs for War Risk.

The Lessee has also to pay the over flight/navigation charges. This point can be a bit complicated. When flights are operating they use a flight number, which is issued to Airlines by the ICAO. In order to cover the costs of air traffic control services, states over

Flown will send a bill to the owner of the flight number, which can be readily identified by its code. The aircraft owner will probably have a code, but will not want to use it Because he will end up paying the bills. Therefore, an ACMI lease requires that the

Lessee provides his own flight number, so that the bills can be directed to him. Thus, an

ACMI lease can usually only take place between two ICAO member state airlines unless other arrangements have been made between Lessor & Lessee.

AMI - Aircraft, Maintenance & Insurance

ACMI lease the Lessor does not provide the crew (flight deck, attendants & engineers).

The Lessor will charge for the block hour (choc off to choc on) and depending on the aircraft type, sets a minimum guaranteed block hours limit per month. If the airplane flies

or not, the Lessee must pay the amount for the minimum guaranteed block hours.

Wet Lease

Over the years aircraft leasing has gone through many changes and so today the

Terminology may not always reflect the service provided. In the UK for instance, Wet

Lease used to mean, quite logically, 'including fuel'. To our knowledge, generally only a Charter service will include fuel in the price. Today, ACMI, Damp and Wet Lease are interchangeable and a rate quoted will usually not include cabin crew (except for the legal Requirement of a supervising purser), see Damp lease below.

Damp Lease

Is similar to ACMI and Wet leasing, however the term usually means 'without cabin Crew' (in some countries it was referred to as Wet Lease 'without fuel'). Under Damp Lease, the Lessee will provide the cabin crew. This can only be done if the cabin crew

Receives SEP (Safety and Emergency Procedures) training by the Lessor, in order to be Acquainted with the differences of the aircraft. Nevertheless, the Lessor will provide a Supervising cabin purser. This term is not often referred too these days as the term ACMI now covers this form of lease.

Dry Lease

Is the lease of the basic aircraft without insurances, crew and maintenance. Usually dry lease is utilized by leasing companies and banks. A dry lease requires the Lessee to put the aircraft on his own AOC and provide aircraft registration. A typical dry lease starts from two years onwards and bears certain conditions as far as depreciation, maintenance, insurances etc. are concerned. This depends on the geographical location, political circumstances etc.

There are generally two types of dry lease: an Operating Lease or a Finance Lease.

1. Operating Lease: generally a lease term that is shorter compared to the economic life of the aircraft being leased. An operating lease is commonly used to acquire aircraft for a term of 2-7 years – and doesn't appear on the Lessee's balance sheet.

2. Finance Lease Also known as a capital lease, is defined when one of the following

conditions are met:-

agreed price;

at least 75% of the fair market value of the aircraft;

A finance lease aircraft appears on the Lessee's balance sheet, it is viewed as a purchase.

Additionally, **AVIATIONLINK INTERNATIONAL Ltd** will source all of the necessary Licenses and permits from the following Aviation bodies and Authorities with regards to your region - to assist a successful & profitable start-up operation.

industry resources

Cape Town Convention Information (Aircraft Equipment Protocol)

Airlines

Information on world airlines, routes, airports and global/regional aviation information

From concept through to launch, **AVIATIONLINK INTERNATIONAL** along with Boeing & Airbus will guide, train, review, analysis, data, resources, contacts, and referrals to qualified start-up airlines. The Airline Development.

AVIATIONLINK INTERNATIONAL Ltd will bring a team to the table and will begin the following tasks to ensure the success of the airline in the market place

Start-up Financing.

An important first step in sourcing the airplanes is to consider financing options.

The two most common methods of financing airplanes are direct purchase and operating lease. **AVIATIONLINK INTERNATIONAL Ltd** have an in-house finance services with \$150m to \$200 billion in reserve to finance our own clients to purchase or lease aircraft.

AVIATIONLINK INTERNATIONAL Ltd work directly with Airbus and Boeing to obtain the best brand new aircraft to suite your needs and also the best cost available to you. We can also offer a wide verity of used aircraft from our aircraft stock.

AVIATIONLINK INTERNATIONAL Ltd are looking forward to providing you with a complete prompt and satisfying service, should you need to contact us please use any of the details below, and we would be delighted to assist you with any questions you may have.