



pillsbury

World Aircraft Repossession Index

Third Edition
November 2018

ATTORNEY ADVERTISING: Results depend on a number of factors unique to each matter.

Prior results do not guarantee a similar outcome.

Pillsbury Winthrop Shaw Pittman LLP, 1540 Broadway, New York, NY 10036, +1.888.387.5714.

© 2018 Pillsbury Winthrop Shaw Pittman LLP. All rights reserved.

pillsburylaw.com

Austin • Beijing • Hong Kong • Houston • London • Los Angeles • Miami • Nashville • New York • Northern Virginia • Palm Beach
Sacramento • San Diego • San Diego North County • San Francisco • Shanghai • Silicon Valley • Taipei • Tokyo • Washington, DC



Pillsbury Winthrop Shaw Pittman LLP

World Aircraft Repossession Index

THIRD EDITION

covering 102 jurisdictions worldwide

November 2018

Executive Editor
MARK N. LESSARD
Partner | mark.lessard@pillsburylaw.com

Executive Editor
PAUL P. JEBELY
Partner | paul.jebely@pillsburylaw.com

Executive Editor
JONATHAN C. GOLDSTEIN
Partner | jonathan.goldstein@pillsburylaw.com

General Editor
JASON P. GREENBERG
Special Counsel | jason.greenberg@pillsburylaw.com

Co-Editor
RICHARD J. EVANS
Counsel | richard.evans@pillsburylaw.com

Co-Editor
SHARON NOURANI
Associate | sharon.nourani@pillsburylaw.com

Co-Editor
ABIGAIL CARTER
Associate | abigail.carter@pillsburylaw.com

Disclaimers

Please read the following disclaimers, which apply to all material contained in this publication, before using it. The material in this publication is provided subject to the reader having read the following disclaimers.

(1) The material contained in each “One-Page Summary” and the “Local Counsel Explanatory Notes” section of this publication has not been provided by Pillsbury Winthrop Shaw Pittman LLP (“Pillsbury”) unless otherwise stated. Instead, it has been provided by the law firm(s) and the person(s) / contributor(s) indicated in such summary or notes.

(2) This publication is issued to inform Pillsbury clients and other interested parties of the current legal climate in certain countries and jurisdictions that may be of interest to them in relation to aircraft, and no other use of this publication or the material contained in this publication is permitted. The material contained herein does not constitute the legal opinion, business advice or other advice of Pillsbury, any other law firm or any person(s) or contributor(s) identified in this publication. The material contained in this publication is not, and should not be regarded as, a substitute for legal or business advice under any circumstance.

(3) NO READER MAY RELY ON THIS PUBLICATION OR THE MATERIAL CONTAINED HEREIN AS ANY FORM OF LEGAL, BUSINESS OR OTHER ADVICE OR OPINION. EACH OF THE EXECUTIVE EDITORS, THE GENERAL EDITOR, EACH OF THE CO-EDITORS, PILLSBURY, EACH OF THE CONTRIBUTING AUTHOR(S) AND EACH OF THEIR RESPECTIVE LAW FIRMS, AND EACH OTHER CONTRIBUTOR TO THIS PUBLICATION EXPRESSLY DISCLAIMS ALL LIABILITY TO ANY PERSON WITH RESPECT TO ANYTHING DONE OR OMITTED TO BE DONE, AND WITH RESPECT TO THE CONSEQUENCES OF ANYTHING DONE OR OMITTED TO BE DONE, WHOLLY OR PARTLY IN RELIANCE UPON THE WHOLE OR ANY PART OF THE MATERIAL CONTAINED IN THIS PUBLICATION.

(4) THE MATERIAL PROVIDED IN THIS PUBLICATION IS GENERAL AND MAY NOT APPLY IN A SPECIFIC SITUATION. Subject to the foregoing, material provided in this publication provides a general estimate and preliminary indication only as to the current legal climate in relation to repossessing, deregistering and exporting aircraft from the country and jurisdiction(s) indicated, based on information received from local counsel in such country and/or jurisdiction as of the date indicated. The actual likelihood of success for any specific set of circumstances will depend on the particular facts and parties involved. READERS MUST OBTAIN ACTUAL AND UP-TO-DATE LEGAL AND OTHER PROFESSIONAL ADVICE IN THE RELEVANT JURISDICTION(S) WITH RESPECT TO ANY SPECIFIC SITUATION THAT MAY RELATE TO MATERIAL PROVIDED IN THIS PUBLICATION.

(5) THE MATERIAL PROVIDED IN THIS PUBLICATION DOES NOT REPRESENT AN EXHAUSTIVE ANALYSIS of all legal issues in the country and/or jurisdiction(s) indicated relevant to financing, leasing, repossessing, registering and deregistering and/or exporting aircraft in or from such country and/or jurisdiction. There are relevant issues not addressed herein and further legal, business and other professional advice in the relevant country and/or jurisdiction(s) should be sought.

ATTORNEY ADVERTISING. Results depend on a number of factors unique to each matter. Prior results do not guarantee a similar outcome.

Contents

Disclaimers	2	Cayman Islands	50
Preface	6	One-page Summary	
About the Editors	7	Chile	51
About Pillsbury	9	One-page Summary	
The Pillsbury Asset Finance Team	10	China	52
Methodology and Interpretation of Results	12	One-page Summary	
Summary of Scores	18	Costa Rica	53
World Map	21	One-page Summary	
Argentina	23	Cote D'ivoire	54
One-page Summary		One-page Summary	
Aruba	24	Croatia	55
One-page Summary		One-page Summary	
Australia	25	Curacao	56
One-page Summary		One-page Summary	
Austria	26	ARTICLE	
One-page Summary		Catch Me If You Can: Prelude to an Aircraft Repo	57
Azerbaijan	27	Czech Republic	60
One-page Summary		One-page Summary	
Bahrain	28	Denmark	61
One-page Summary		One-page Summary	
Bangladesh	29	Dominican Republic	62
One-page Summary		One-page Summary	
Belgium	30	Ecuador	63
One-page Summary		One-page Summary	
Bermuda	31	Egypt	64
One-page Summary		One-page Summary	
Bolivia	32	El Salvador	65
One-page Summary		One-page Summary	
Brazil	33	Estonia	66
One-page Summary		One-page Summary	
ARTICLE		Ethiopia	67
Of Swords and Shields: The Role and Limits of		One-page Summary	
Courts in the Enforcement of the Cape Town		Fiji	68
Convention's Substantive Repossession Remedies	34	One-page Summary	
British Virgin Islands	47	Finland	69
One-page Summary		One-page Summary	
Bulgaria	48	France	70
One-page Summary		One-page Summary	
Canada	49	French Polynesia	71
One-page Summary		One-page Summary	
		ARTICLE	
		Arbitration of Aviation Disputes in China	72

Georgia	74	Latvia	97
One-page Summary		One-page Summary	
Germany	75	Lithuania	98
One-page Summary		One-page Summary	
Greece	76	Macau	99
One-page Summary		One-page Summary	
Guatemala	77	Malaysia	100
One-page Summary		One-page Summary	
Guernsey	78	Malta	101
One-page Summary		One-page Summary	
Hong Kong	79	Mauritius	102
One-page Summary		One-page Summary	
Hungary	80	Mexico	103
One-page Summary		One-page Summary	
ARTICLE		Mongolia	104
Supreme Court Unanimously Clarifies		One-page Summary	
Avoidance Action Exposure	81	Morocco	105
Iceland	83	One-page Summary	
One-page Summary		Mozambique	106
India	84	One-page Summary	
One-page Summary		Myanmar	107
Indonesia	85	One-page Summary	
One-page Summary		Namibia	108
Ireland	86	One-page Summary	
One-page Summary		ARTICLE	
Israel	87	Winter Survival Guide	109
One-page Summary		Nepal	113
Italy	88	One-page Summary	
One-page Summary		Netherlands	114
Japan	89	One-page Summary	
One-page Summary		New Caledonia	115
Jersey	90	One-page Summary	
One-page Summary		New Zealand	116
Jordan	91	One-page Summary	
One-page Summary		Nigeria	117
Kazakhstan	92	One-page Summary	
One-page Summary		Norway	118
Kenya	93	One-page Summary	
One-page Summary		Oman	119
Korea	94	One-page Summary	
One-page Summary		Pakistan	120
ARTICLE		One-page Summary	
US Court Favors Aircraft Financier		Panama	121
in Non-Citizen Trust Case	95	One-page Summary	

Papua New Guinea	122	Taiwan	145
One-page Summary		One-page Summary	
Paraguay	123	Tajikistan	146
One-page Summary		One-page Summary	
Peru	124	Thailand	147
One-page Summary		One-page Summary	
Philippines	125	Turkey	148
One-page Summary		One-page Summary	
Poland	126	ARTICLE	
One-page Summary		Recent Tax Law Changes Affecting Private	
Portugal	127	Aircraft Ownership	149
One-page Summary		Ukraine	153
ARTICLE		One-page Summary	
Gibraltar’s Financial Services Regulator Adopts		United Arab Emirates	154
First-Ever Purpose-Built Blockchain Regulations . . .	128	One-page Summary	
Romania	130	United Kingdom	155
One-page Summary		One-page Summary	
Russia	131	United States	156
One-page Summary		One-page Summary	
Rwanda	132	Vietnam	157
One-page Summary		One-page Summary	
San Marino	133	Local Counsel Explanatory Notes	158
One-page Summary		About the Contributors	173
Saudi Arabia	134	Third Party Data Acknowledgments	221
One-page Summary		Appendix: Appendix: 30-Minute (Check-Box)	
PRACTICE TIP		Jurisdictional Questionnaire	222
How Not to Lose a Guarantee	135		
Serbia	136		
One-page Summary			
Singapore	137		
One-page Summary			
Slovakia	138		
One-page Summary			
Slovenia	139		
One-page Summary			
South Africa	140		
One-page Summary			
Spain	141		
One-page Summary			
Sri Lanka	142		
One-page Summary			
Sweden	143		
One-page Summary			
Switzerland	144		
One-page Summary			

Preface

World Aircraft Repossession Index
Third Edition

Pillsbury Winthrop Shaw Pittman LLP is pleased to publish this Third Edition of the World Aircraft Repossession Index.

This Third Edition builds on the success of our Second Edition and covers 31 “new” jurisdictions. In this edition we analyze a total of 102 popular jurisdictions worldwide in which aircraft are registered and operate. Utilizing seven primary criteria and a proprietary scoring methodology, this Third Edition synthesizes expert analysis provided by reputable local counsel and select data obtained from other third-party sources to numerically score the legal environment in each jurisdiction with respect to repossessing and exporting aircraft assets.

The attorneys in Pillsbury’s global Asset Finance team are well aware of the challenges inherent in leasing and financing aircraft in jurisdictions around the globe. When doing business in any location, it is advisable to understand the local issues that may affect your investment. Prudent lessors and financiers of aircraft should know in advance what issues they might encounter in the event they need to repossess their aircraft. Analyzing jurisdictional questionnaires from local counsel is often an important part of this educational process. However, reviewing narrative responses contained in traditional jurisdictional questionnaires and comparing them across various jurisdictions can be time consuming and costly. This publication represents a refinement of this process and serves as a desk-top resource. By utilizing an objective scoring methodology we highlight key challenges within, and differences among, jurisdictions.

The foundation of the World Aircraft Repossession index is Pillsbury’s unique “check-box” jurisdictional questionnaire, the form of which can be found in the Appendix. In addition to a one-page summary for each jurisdiction, the results of our analysis are represented in a global rankings chart and a world map, indicating the comparative ranking that each jurisdiction has achieved.

The Pillsbury team has been delighted to discuss the World Aircraft Repossession Index at numerous public events and private meetings around the world including those hosted by the American Bar Association, Aviation Working Group, Euromoney, Ishka and ISTAT. The overwhelmingly positive feedback we have received is an endorsement of our methodology and the hours of work devoted to this publication by each local counsel participant and the Pillsbury team. In addition, we have found that the World Aircraft Repossession Index has proven to be a welcome addition to the tools available to industry participants, particularly leasing companies and financial institutions, for analyzing jurisdictions at every stage of a transaction.

Please read the disclaimer on page 2 before using any of the information contained in this publication.

We gratefully acknowledge and would like to thank all of the local counsel contributors in each jurisdiction, as well as each of our third-party data providers, for dedicating their time and data, free of charge, to make this publication possible. Special thanks to Ms. Crystal Siu, a highly experienced transaction manager and prized Asset Finance team member, whose contributions to this publication were essential. We are most grateful to Ms. Sarah Humpleby, formerly of Pillsbury, who served as a co-editor of the Second Edition and who made a significant contribution to this Third Edition. We would also like to give due recognition to Mr. Dominic Pearson, formerly of Pillsbury, who created the World Aircraft Repossession Index and served as the general editor of the First Edition. Many thanks to you all!

JASON P. GREENBERG

Special Counsel | Pillsbury Winthrop Shaw Pittman LLP

T 213.488.7344 | F 213.629.1033

jason.greenberg@pillsburylaw.com

Los Angeles, November 2018

About the Editors



Mark N. Lessard
+1.212.858.1564
mark.lessard@pillsburylaw.com

Mark N. Lessard, Partner and Global Head, Finance

Mark Lessard is a partner in the New York office and global head of Pillsbury's Finance practice, primarily representing clients who are active in the Aviation, Aerospace and Transportation sectors. Mr. Lessard represents a worldwide clientele of lenders, lessors, investors, operators, underwriters, liquidity providers, manufacturers, rating agencies and trustees in connection with all forms of transportation asset-backed financings. Mr. Lessard has particular experience in cross-border transactions, having placed, financed or repossessed aviation assets in dozens of jurisdictions around the world. He has been an active member of the Legal Advisory Panel to the Aviation Working Group since 2012, at the forefront of the adoption and implementation of the Cape Town Convention on International Interests in Mobile Equipment. Mr. Lessard has been recognized with the following awards: Acritas Star (2018); Lexology and the International Law Office's "Client Choice Award" for Asset Finance in New York (2018); Overall Debt Deal of the Year, Airline Economics (2018); Chambers USA, Aviation Finance—National (2009-Present); Chambers Global—Aviation Finance; Legal 500 US, Asset Finance and Leasing (2010, 2013-2016); International Who's Who of Aviation Lawyers (2010-2013); and Guide to the World's Leading Aviation Lawyers, Euromoney/Legal Media Group (2013).



Paul P. Jebely
+852.3959.7503
paul.jebely@pillsburylaw.com

Paul P. Jebely, Partner and Co-Leader, Asset Finance

Paul Jebely is the managing partner of Pillsbury's Hong Kong office and co-leader of the firm's Asset Finance practice. Recognized as a leading aviation lawyer, Mr. Jebely advises on billions of dollars' worth of commercial and business aircraft finance transactions, leasing and trading transactions and enforcement and repossession situations.

Mr. Jebely has been repeatedly recognized by Chambers, Legal 500 and Who's Who as a "very highly rated" leading individual in aviation finance and has been singled out in Chambers as "extremely competent," "commercially aware," "responsive," "courteous," "technically skilled," "capable," "attentive" and "driven." He has been quoted by the Financial Times, the Wall Street Journal, Bloomberg, the China Business Network and various industry publications on the basis of his experience in the aviation markets in Asia and Africa in particular. He was the 2015 recipient of the "Outstanding Contribution to African Aviation Development" award—the only lawyer to receive the award since its inception in 1999, and was recognized by Asian Legal Business in October 2016 among "Asia 40 Under 40" top "brightest legal minds in the region." Mr. Jebely has earned a Band 1 ranking globally in Chambers High Net Worth for private aircraft-related legal counsel in 2018. Sources have noted that "he is one of the best lawyers [they] have ever met in [their] life, in terms of professionalism and knowledge in the field and patience explaining everything."



Jonathan C. Goldstein
+1.212.858.1888
jonathan.goldstein@pillsburylaw.com

Jonathan C. Goldstein, Partner, Asset Finance

Jonathan Goldstein is a Pillsbury Finance partner based in the New York office whose transactions have won several awards, including Air Finance Journal's "Deal of the Year." He has also been recognized by The Legal 500 US in Structured Finance and as a "Leading Lawyer and Rising Star" by Air Finance Journal and IFLR 1000. He also was a team member on Air Finance Journal 2016 Editor's Deal of the Year for his contribution on the Labrador ABS transaction. Mr. Goldstein represents sponsors, lenders, hedge funds, commercial banks and leasing companies in connection with a broad spectrum of international financial and corporate transactions. He advises clients on public offerings and private placement of securities (equipment notes and portfolio securitizations), acquisitions, leveraged leasing, secured and unsecured lending, structured financings, syndicated credit facilities, pre-delivery payment and warehouse facilities. Mr. Goldstein's practice also addresses simple and complex bank loans, mergers and acquisitions, leverage financings, joint ventures, sale/resale transactions and bankruptcy workouts.



Jason P. Greenberg
+1.213.488.7344
jason.greenberg@pillsburylaw.com

Jason P. Greenberg, Special Counsel, Asset Finance

Jason Greenberg is a special counsel in the law firm's Finance practice and is located in the Los Angeles office. His practice focuses on equipment finance and leasing, and he specializes in cross-border secured lending as well as commercial aircraft and private jet transactions. He has significant experience representing leasing companies, financial institutions, lessees/operators, trustees and rating agencies in all types of financing, acquisition, sale and leasing transactions. He helps manage a team of lawyers and paraprofessionals located in Los Angeles and in the Firm's other offices around the globe to efficiently negotiate and close complex transactions involving assets wherever they may be located. Prior to joining Pillsbury, Mr. Greenberg worked at two global top-10 commercial aircraft lessors and in the aviation finance practice of a major international law firm.



Richard J. Evans
+1.213.488.7192
richard.evans@pillsburylaw.com

Richard J. Evans, Counsel, Asset Finance

Richard Evans is a counsel in the law firm's Finance practice and is located in the Los Angeles office. He is dual-qualified as an attorney in California and a solicitor of England & Wales and focuses on finance and leasing transactions involving commercial aircraft and private jets.

Mr. Evans' notable commercial leasing clients include Aergen, AerCap, Air Lease Corporation, Aviation Capital Group, BBAM, Cusco Aviation, FPG Amentum, Jackson Square Aviation (JSA), Orix Aviation, Sky Leasing and Wings Capital Partners. In addition to his private practice experience, he was interim general counsel at JSA, a consultant at a startup aircraft leasing company, and in-house counsel at Airbus Group. His broad asset finance experience and connections to high net worth individuals on the West Coast and aviation industry players worldwide make him ideally-placed to coordinate and deliver the firm's expertise to private aviation clients in a wide range of practice areas, including: asset finance, employment, estates trusts & tax planning, executive benefits and regulatory.



Sharon Nourani
+852.3959.7506
sharon.nourani@pillsburylaw.com

Sharon Nourani, Associate, Asset Finance

Sharon Nourani is an associate in the law firm's Asset Finance practice and is located in the Hong Kong office. Qualified as a solicitor of England & Wales, Ms. Nourani has closed over one hundred aircraft financing transactions, advising clients that represent the full range of industry participants in matters concerning all classes of commercial and business aircraft. She is experienced in negotiating and executing international aircraft and engine financing, leasing and trading transactions, including pre-delivery payment financings, sale and leasebacks and secured loan transactions.

Ms. Nourani speaks regularly at client briefings and industry conferences on trends in aviation finance, most recently at the AirFinance Journal's Africa 2018 Conference in Johannesburg.



Abigail Carter
+44.20.7847.9543
abigail.carter@pillsburylaw.com

Abigail Carter, Associate, Asset Finance

Abigail Carter is an associate based in Pillsbury's London office, focusing on aviation finance. She is experienced in acting on a range of cross-border aircraft finance transactions such as leasing, secured loan transactions and sale and acquisition transactions and related novations. Recently, Ms. Carter acted for Oaktree Capital and World Star Aviation on the purchase and financing of 18 aircraft, which was awarded the Airline Economics Overall Debt Deal of the Year 2018. Prior to joining Pillsbury, she completed a six month secondment to Singapore focusing on aviation finance transactions.

About Pillsbury

Pillsbury's global Asset Finance practice is a leader in the field of structuring, negotiating and closing transactions for transportation assets, with particular emphasis on aircraft and other aviation equipment. For more than 65 years, we have been representing some of the most active international participants in the financing of transportation assets, including major banks, leasing companies, airlines, investors, traders and manufacturers.

Since 2000, Pillsbury attorneys have assisted their clients in the financing or refinancing of more than a thousand commercial and corporate jet aircraft with an aggregate value of more than \$40 billion—and in the financing or refinancing of more than 400 spare aircraft engines with an aggregate value of more than \$2.5 billion. We have had important roles in all of the US, and many foreign, airline bankruptcies and restructurings and work closely with lawyers in our restructuring group on these matters. Our team also has significant experience with railroad rolling stock, locomotives, ships, containers and fleets of land-based vehicles, as well as other capital assets financed with similar techniques, such as floating drilling rigs, satellites, telecommunications and manufacturing equipment. In recent years we have successfully negotiated and documented Ex-Im Bank-supported financings for equipment valued at more than \$4 billion. We have also dealt with other export credit agencies and government-supported programs, such as Japan Eximbank, ECGD, COFACE and HERMES, as well as transactions involving the latest financing structures including those involving JOLCOs and AFIC support.

Pillsbury's Asset Finance team includes attorneys in our New York, London, Hong Kong, Tokyo, Los Angeles, San Francisco and Washington D.C. offices who are supported by leading practitioners in related fields such as taxation, aviation regulatory, restructuring, capital markets, mergers and acquisitions, international trade and licensing, corporate aviation, insurance, accident investigations and litigation. Our team has extensive experience with cross-border financings of transportation assets located and operated throughout the world and often handles large scale transactions involving multiple jurisdictions. Our offices and network of local law firms stand ready to assist our clients any place, any time. This broad-based, integrated approach allows us to offer a full range of legal services to all industry participants.

Our Asset Finance attorneys are well-known in the industry for their contributions to the state of the art, whether it is completing novel transactions, publishing articles on new financing techniques, sitting on standard-setting committees or speaking at some of the many conferences, seminars, workshops and other events organized for the asset finance community. These contributions are consistently recognized by industry observers, including the prestigious Chambers, which has named us one of the leading aviation finance firms in the world. We have also recently received awards and accolades for our legal work from Jane's Transport Finance, AirFinance Journal, Global Trade Review and Trade Finance.

The Pillsbury Asset Finance Team



Mark N. Lessard | Partner &
Global Head of Finance
+1.212.858.1564
mark.lessard@pillsburylaw.com



Paul P. Jebely | Partner &
Co-leader of Asset Finance
+852.3959.7503
paul.jebely@pillsburylaw.com



Graham Tyler | Partner &
Co-leader of Asset Finance
+44.20.7847.9562
graham.tyler@pillsburylaw.com



Charlotta Otterbeck | Partner &
Co-Leader of Asset Finance
+1.212.858.1409
charlotta.otterbeck@pillsburylaw.com



Leo T. Crowley | Partner
+1.212.858.1740
leo.crowley@pillsburylaw.com



Charles F. Donley II | Partner
+1.202.663.8448
charles.donley@pillsburylaw.com



Debra Erni | Partner
+44.20.7847.9595
debra.erni@pillsburylaw.com



Jonathan C. Goldstein | Partner
+1.212.858.1888
jonathan.goldstein@pillsburylaw.com



Melissa B. Jones-Prus | Partner*
+1.212.858.1646
melissajonesprus@pillsburylaw.com



Olivia Matsushita | Partner
+81.3.6268.6758
olivia.matsushita@pillsburylaw.com



Jason P. Greenberg | Special Counsel
+1.213.488.7344
jason.greenberg@pillsburylaw.com



Richard J. Evans | Counsel
+1.213.488.7192
richard.evans@pillsburylaw.com



Masao Kasatsugu | Senior Associate
+81.3.6268.6720
masao.kasatsugu@pillsburylaw.com



Chris Knight | Senior Associate
+44.20.7847.9640
chris.knight@pillsburylaw.com



Rakhi Savjani | Senior Associate
+44.20.7847.9578
rakhi.savjani@pillsburylaw.com



Andrew Taggart | Senior Associate
+1.415.983.1108
andrew.taggart@pillsburylaw.com

* Effective January 1, 2019



Eugene Yeung | Senior Associate
+852.3959.7512
eugene.yeung@pillsburylaw.com



Abigail Carter | Associate
+44.20.7847.9543
abigail.carter@pillsburylaw.com



Ryan Cheung | Associate
+44.20.7847.9547
ryan.cheung@pillsburylaw.com



Luca Denora | Associate
+852.3959.7504
luca.denora@pillsburylaw.com



David Flickinger | Associate
+1.212.858.1041
david.sickinger@pillsburylaw.com



Gloria H. Kim | Associate
+1.212.858.1138
gloria.kim@pillsburylaw.com



Issac M. Lee | Associate
+1.212.858.1253
issac.lee@pillsburylaw.com



Sharon Nourani | Associate
+852.3959.7506
sharon.nourani@pillsburylaw.com



Bernadette E. Ryan
Senior Legal Analyst
+1.213.488.7139
bernadette.ryan@pillsburylaw.com

Anny Espinal | Paralegal
+1.212.858.1069
anny.espinal@pillsburylaw.com

Rhys Major | Paralegal
+44.20.7847.9593
rhys.major@pillsburylaw.com

Crystal Su | Transaction Manager
+852.3959.7509
crystal.su@pillsburylaw.com

Methodology and Interpretation of Results

Creating an index of this sort poses two big challenges. Firstly, in order to allow quantitative-based scoring, the jurisdictional questionnaire must be crafted in a way that allows the questions to be efficiently and comfortably answered by local counsel in a closed-ended fashion without qualification; that is, by selecting an answer from a pre-defined set of responses (such as “Yes” or “No”). Secondly, having boxed-in those answers so as to allow for scoring, careful consideration needs then to be given to how the jurisdiction may be scored in a meaningful and useful manner. The first of these challenges has been accomplished by the creation of what we have called the “30-Minute (Check-Box) Jurisdictional Questionnaire”. The second of these challenges has been accomplished by generating a simple but effective weighted scoring mechanism. You should read this section to understand better what the results contained in the one-page summaries mean, and how to interpret them.

The Pillsbury World Aircraft Repossession Index measures the legal environment for aircraft repossessions in each country or jurisdiction using seven factors (repossession, insolvency, deregistration, export, judgments and arbitral awards, preferential liens and political stability). Each factor is assigned a weighting in accordance with its relative importance, with each factor’s score and its weighting being used to calculate the overall score for the country or jurisdiction. Each factor’s score is determined according to several sub-factors comprising either: (a) the questions asked in the jurisdictional questionnaire, or (b) certain other information about the jurisdiction collected from external sources. A summary of each of the seven factors and their component sub-factors is presented in the Table on the next page and described in detail in the commentary below.

Overall Score and Recoverability Category. The overall score for each jurisdiction is expressed near the top of the page of each one-page summary. A score of 0% represents the poorest possible score and the lowest rating in terms of asset recoverability. In contrast, a score of 100% represents the best possible score and the highest rating in terms of asset recoverability. Additionally, each jurisdiction has been assigned a broader asset recoverability rating or category as follows: those jurisdictions whose overall score was 75% or higher have been assigned a “LOWER RISK” asset recoverability rating; those jurisdictions whose overall score was 50% or higher, but less than 75%, have been assigned a “MODERATE” asset recoverability rating; and finally those jurisdictions whose overall score was less than 50% have been assigned a “HIGHER RISK” asset recoverability rating.

World Map. On page 21 we have summarized the overall scores and asset recoverability ratings of each jurisdiction in the form of a world map. The green, yellow and red colorings represent jurisdictions whose asset recoverability ratings are “LOWER”, “MODERATE” and “HIGHER” respectively, with the inner gradient of the color indicating whether the jurisdiction sits at the top, middle or bottom of the range for that category of risk.

30-Minute (Check-Box) Jurisdictional Questionnaire. For each country or jurisdiction covered in this index, a reputable local counsel completed a 30-Minute (Check-Box) Jurisdictional Questionnaire. A copy of the pro-forma jurisdictional questionnaire is provided in the Appendix on page 222. The completed questionnaires provided the majority of the information used to score the jurisdictions. However, the Political Stability factor was determined using information collected from other third-party sources.

Aircraft Registration. In the 30-Minute (Check-Box) Jurisdictional Questionnaire, we asked local counsel to answer questions relating to the registration of the aircraft on the country’s aircraft register. While this information is not scored (as it is the characteristics of deregistration of the aircraft, not registration, that is most relevant), it serves two purposes which we hope will be of use to readers.

Firstly, it is informative in respect of whose name the aircraft may be registered in that jurisdiction and whether the interests of the owner and mortgagee may also be noted, either on the aircraft register, the certificate of registration or on some other public register. It is also informative in respect of the existence of any delegation arrangements with other countries, such as 83bis delegation agreements pursuant

Table: Summary of Factors and Sub-Factors

WEIGHTING	FACTORS	SUB-FACTORS
22.5%	Repossession	(1) Self-help remedies; (2) Requirement for a deposit, bond or other security in judicial proceedings; (3) Repossession taxes and fees; (4) Speed of repossession; (5) Legal cost of repossession; (6) ASU Cape Town Discount or Qualifying OECD Status.
12.5%	Insolvency	(1) Sophistication of insolvency laws; (2) Insolvency moratorium; (3) Overreaching of the lessee's insolvency estate.
10.0%	Deregistration	(1) Third party deregistration rights; (2) Historical precedent of refusing to deregister; (3) Convenience of deregistration.
10.0%	Export	(1) Third party export rights; (2) Export licenses and permits; (3) Export fees and taxes.
7.5%	Judgments and Arbitral Awards	(1) Enforceability of judgments; (2) Enforceability of arbitral awards.
7.5%	Preferential Liens	(1) Onerous and unusual preferential liens: non-possessory liens; (2) Onerous and unusual preferential liens: asset-wide liens; (3) Onerous and unusual preferential liens: liens in favor of a lessee or debtor; (4) Government requisition and confiscation.
30.0%	Political Stability	(1) OECD States; (2) Sovereign credit rating; (3) World Justice Project – Rule of Law Index 2017-2018; (4) Heritage Foundation – 2018 Index of Economic Freedom; (5) World Economic Forum – Global Competitiveness Report 2017-2018.

to Article 83bis of the Chicago Convention,¹ such that an aircraft operating and habitually based in that country may be registered in another country.

Secondly, because delegation arrangements allow operating lessors and financiers to mitigate against the adverse effects of the local aircraft registration (and deregistration) rules by allowing an aircraft to be registered in another country, this has allowed us to blend the deregistration score of such other country with the scores of each of the remaining factors for the country in which the aircraft is habitually based. This blended score thus more accurately reflects the total aircraft repossession risk, and is presented in the one-page summary.

Repossession by Owner-Lessor or by Mortgagee?
 We have designed the questions in the 30-Minute (Check-Box) Jurisdictional Questionnaire in a manner that contemplates both repossession of an aircraft from a defaulting lessee under an aircraft lease, as well as repossession by a “mortgagee” from a defaulting owner-debtor. The phrase “mortgagee” when used in this publication and in the jurisdictional questionnaire means a person who has a first priority security interest in the aircraft, and includes a person in the equivalent position to a mortgagee under applicable local law, such as a “pledgee”, or a “chargee” holding an “international interest” in the airframe and aircraft engines

¹ The Convention on International Civil Aviation, signed at Chicago, on 7 December 1944.

pursuant to the Cape Town Convention.²

Factor 1: Repossession (weighting: 22.5%). This factor evaluates the owner-lessor or mortgagee’s theoretical ability to repossess the aircraft in a cost effective and timely manner. This factor comprises the following sub-factors:

Self-help remedies. Credit was given if the local jurisdiction allows the owner-lessor or mortgagee to exercise so-called self-help remedies. “Self-help” means that the laws of the local jurisdiction permit an owner-lessor or mortgagee, as applicable, to repossess the aircraft from an uncooperative lessee (or debtor) without the need to obtain a court order, provided that it does so peaceably, without using force or the threat of force.

Requirement for a deposit, bond or other security in judicial proceedings. Credit was given if the courts of the jurisdiction do not typically require the owner-lessor or mortgagee, as a condition to obtaining a judicial order for repossession of the aircraft, to deposit a bond or other guarantee with the court.

Repossession taxes and fees. Credit was given if there are no significant fees or taxes payable in order for the owner-lessor or mortgagee to obtain a judicial order for repossession

² The Convention on International Interests in Mobile Equipment together with Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, each signed at Cape Town, South Africa, on 16 November 2001.

of the aircraft. An example of such a tax might include a stamp tax payable as a condition to admitting documents in evidence for the purposes of repossession proceedings (where self-help remedies are not available). We left it to local counsel to determine, using their professional judgement, whether they thought any such fees were significant; however, we indicated that “significant” fees or taxes would include any fees or taxes assessed on a percentage basis against the value of the aircraft or the sum secured by a mortgage, etc., but might exclude nominal fees or nominal taxes amounting to less than US\$1,000 or its equivalent in the local currency of the jurisdiction.

Speed of repossession. We asked local counsel to estimate, on the balance of probabilities, how quickly a court order may be obtained for repossession of an aircraft, following commencement of judicial proceedings, given a choice of four bands: (a) less than or equal to 60 days; (b) more than 60 days but less than or equal to 180 days; (c) more than 180 days but less than or equal to one year; or (d) more than one year. Greater credit was given to the faster bands. In estimating the speed with which such order could be obtained, we asked local counsel to ignore any self-help remedies that may be available as an alternative means of repossession. We also asked local counsel to assume that:

1. the mortgagee or the owner-lessor is ultimately successful;
2. the proceedings are contested by the lessee (or an insolvency practitioner or bankruptcy trustee on its behalf), but are otherwise not contested by any competing creditor;
3. where judicial proceedings are instigated by the mortgagee, it has the cooperation of the owner-lessor;
4. there is already either an English or New York judgment or an arbitration award ordering repossession (and that local counsel should select the answer that represents the quickest of either litigating afresh on the merits or enforcing such judgment or award);
5. the lessee is insolvent at the time the proceedings are instituted; and
6. the proceedings may either be for a preliminary (i.e. interim) or a final order, whichever can be obtained the quickest in the local jurisdiction.

Legal cost of repossession. We also asked local counsel to estimate, on the balance of probabilities, the legal costs of obtaining a court order for repossession of an aircraft, following commencement of judicial proceedings, given a choice of four bands: (a) less than or equal to US\$50,000; (b) more than US\$50,000 but less than or equal to US\$250,000; (c) more than US\$250,000 but less than or equal to

US\$1,000,000; or (d) more than US\$1,000,000. Greater credit was given to the less costly bands. We asked local counsel to make an equivalent set of assumptions as they made when answering the speed of repossession question. In addition, we also indicated to local counsel that their estimate should be inclusive of all court and lawyer fees incurred by the owner-lessor or mortgagee, but should disregard any amounts that represent any potential recovery of those costs.

ASU Cape Town Discount or Qualifying OECD Status. Bonus credit was given if either or both of the following apply: (1) as of August 30, 2018, the country qualifies for the OECD’s Aircraft Sector Understanding Cape Town Discount (www.oecd.org/tad/xcred/ctc.htm); and/or (2) as of June 25, 2018 the country is an OECD “high-income” or “zero-rated” country (www.oecd.org/tad/xcred/cre-crc-current-english.pdf), with an investment grade sovereign credit rating, according to Standard & Poor’s (or where a Standard & Poor’s rating is not available, according to Moody’s, if available).

Factor 2: Insolvency (weighting: 12.5%). This factor evaluates the friendliness of the jurisdiction’s insolvency laws from a creditor’s perspective. This factor comprises the following sub-factors:

Sophistication of insolvency laws. Credit was given where local counsel was of the opinion that the jurisdiction’s insolvency laws were moderately or well developed. We asked local counsel to restrict their analysis to insolvency law as it relates to the rights of a mortgagee (as a creditor) and an owner-lessor (as a creditor/owner) and to take into account both the frequency, volume and history of case law and any applicable legal commentary on the subject, as well as the sophistication of the applicable statutes.

Insolvency moratorium. We asked local counsel to indicate, under the mandatorily applicable laws of the local jurisdiction, the period during which a moratorium may be imposed in the event of a lessee (or debtor) insolvency / bankruptcy which adversely affects the rights of the owner-lessor (or mortgagee) to repossess an aircraft on termination of the leasing of the aircraft or enforcement of the mortgage. A choice of four bands was given: (a) less than or equal to 60 days; (b) more than 60 days but less than or equal to 180 days; (c) more than 180 days but less than or equal to one year; or (d) more than one year or variable. We asked local counsel to assume that the lessee (or debtor) entity is subject to the mandatorily applicable insolvency / bankruptcy laws of the local jurisdiction. In circumstances where, under the law of the local jurisdiction, more than one answer is applicable because the moratorium period may vary depending on other factors (e.g. whether or not the Cape Town Convention applies or some other criteria are met), local counsel was

asked to select the most favorable (i.e. the shortest) such time period, and to indicate that the answer applied only to limited circumstances. Greater credit was given for a shorter moratorium period, and additional credit was given where a shorter moratorium period applied in all circumstances, rather than only in limited circumstances.

Overreaching of the lessee's insolvency estate. Credit was given where the mandatorily applicable insolvency laws of the local jurisdiction did not deem the aircraft to be the lessee's property and part of its bankruptcy or insolvency estate (notwithstanding the owner-lessor's status as legal owner), in circumstances where the lessee is put into administration, liquidation or similar bankruptcy or insolvency process. In answering this question, we asked local counsel to assume that the lessee entity is subject to the mandatorily applicable insolvency / bankruptcy laws of the local jurisdiction, and that the lease is a true operating lease (and not a finance or capital lease).

Factor 3: Deregistration (weighting: 10%). This factor evaluates the ease with which an owner-lessor or a mortgagee may deregister an aircraft registered on the country's aircraft register. This factor comprises the following sub-factors:

Third party deregistration rights. Credit was given if the laws of the local jurisdiction and/or the local practice of the aircraft register or aviation authority will honor a unilateral request by the owner-lessor or mortgagee to deregister the aircraft from the aircraft register, without the cooperation of the lessee. Such a request could be honored either: (a) pursuant to the exercise of a deregistration power of attorney or an "irrevocable deregistration and export authorization" ("IDERA") pursuant to the Cape Town Convention granted in favor of the owner-lessor or mortgagee (as applicable); or (b) pursuant to such person's status as an owner-lessor or mortgagee of the aircraft, even without any such power or IDERA. In answering these questions, we also asked local counsel to assume that:

1. the owner-lessor or mortgagee has repossessed the aircraft, or is seeking simultaneous repossession of the aircraft;
2. the leasing has terminated or that the mortgage has become enforceable, as applicable;
3. where any such deregistration request is made by an owner-lessor, it is with the consent of the mortgagee (if any); and
4. "cooperation of the lessee" includes a requirement that the original of the certificate of registration be surrendered.

Historical precedent of refusing to deregister. In the event that

laws of the local jurisdiction and/or the local practice of the aircraft register or aviation authority entitle an owner-lessor or mortgagee to deregister an aircraft, credit was deducted if local counsel was aware of any instances where the aircraft register or aviation authority had refused to honor a request by the owner-lessor and/or the mortgagee (as applicable) to deregister the aircraft, despite being otherwise entitled to do so. "Despite being otherwise entitled to do so" means that the owner-lessor or mortgagee, in submitting the deregistration request, has complied with the local law and the paperwork required for deregistration is otherwise in order.

Convenience of deregistration. Credit was given if, with respect to deregistration of an aircraft, the aircraft register or aviation authority does not require the application forms necessary for registration, any necessary consents, authorizations or supporting documents to be notarized and/or authenticated before it will accept and process the deregistration of an aircraft. "Authenticated" includes any requirement that a document be apostilled, consularized, legalized or translated.

Factor 4: Export (weighting: 10%). This factor evaluates the ease with which an owner-lessor or a mortgagee may export an aircraft habitually based in the country. This factor comprises the following sub-factors:

Third party export rights. Credit was given if the laws of the local jurisdiction allow an owner-lessor (with the consent of the mortgagee, if any) or a mortgagee to unilaterally export the aircraft from the country without the cooperation of the lessee (and the owner-lessor, in the case of the mortgagee). We asked local counsel to assume that:

1. the owner-lessor or mortgagee has repossessed and deregistered the aircraft, or is seeking simultaneous repossession and deregistration of the aircraft;
2. the leasing has terminated or the mortgage has become enforceable, as applicable;
3. the owner-lessor or mortgagee has an export power of attorney granted in its favor; and
4. the lessee or owner-debtor is insolvent and uncooperative at the time the owner-lessor or mortgagee is seeking to export the aircraft from the country.

Export licenses and permits. Credit was given if an owner-lessor or mortgagee may export the aircraft from the country without requiring an export license or permit. We asked local counsel to disregard any restrictions relating to the export of goods to countries subject to sanctions or with respect to classified or military equipment installed on the aircraft.

Export taxes and fees. Credit was given if there are no

significant fees or taxes payable in order for the owner-lessor or mortgagee to export the aircraft from the country. We left it to local counsel to determine, using their professional judgment, whether they thought any such fees were significant; however, we indicated that “significant” fees or taxes would include any fees or taxes assessed on a percentage basis against the value of the aircraft or the sum secured by a mortgage, etc., but might exclude nominal fees or nominal taxes amounting to less than US\$1,000 or its equivalent in the local currency of the jurisdiction.

Factor 5: Judgments and Arbitral Awards (weighting: 7.5%). This factor evaluates the ease with which an owner-lessor or a mortgagee may enforce a judgment or arbitral award in the jurisdiction without having to re-litigate the case on its merits. This factor comprises the following sub-factors:

Enforceability of judgments. Credit was given if the courts of the jurisdiction will recognize and enforce either: (a) a judgment rendered by a New York state or US federal court sitting in New York; or (b) a judgment rendered by an English court, without the case being re-examined on its merits. “Enforcement” means the enforcement of money awards only (and not injunctive or any other type of non-monetary relief). We also indicated to local counsel that “without the case being re-examined on its merits” meant that enforcement would only be subject to the satisfaction of one or more of the following threshold conditions (and would not be subject to any other additional conditions):

1. the court rendering the judgment must have had jurisdiction over the defendant and has obtained such jurisdiction in a way that is compatible with the laws of the local jurisdiction;
2. the judgment of the rendering court must have been final and conclusive and not subject to appeal;
3. the judgment must have been given on the merits of the case (and, for example, must not have been obtained by way of “judgment in default”);
4. the judgment must not have been obtained by fraud;
5. the judgment must not be incompatible with the public policy of the local jurisdiction;
6. the judgment must not contradict another judgment rendered by a court in the local jurisdiction; and/or
7. in the case of a judgment rendered by an English court, if the country is a sister EU member state, any of the conditions or exceptions permitted by the “recast” Brussels Regulation (Council Regulation (EU) 1215/2012).

Additionally, we made clear that a requirement for reciprocity of recognition/enforcement by a New York or

English court (as applicable) is NOT a permitted threshold condition, unless it can be said with reasonable certainty that on a general basis (rather than on a case by case basis) such reciprocity requirement will be satisfied with respect to any such New York or English court judgment (because, for example, a reciprocal enforcement treaty exists).

Enforceability of arbitral awards. Credit was given if the country has adopted the 1958 Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the New York Convention) and the courts of the local jurisdiction recognize and enforce a decision of an arbitrator. We asked local counsel to assume that a court in the local jurisdiction would be entitled to refuse enforcement of the arbitral award based on one of the exceptions and carve-outs enumerated in the New York Convention.

Factor 6: Preferential Liens (weighting: 7.5%). This factor evaluates the status of any onerous or unusual non-consensual preferential liens and requisition risks which could be imposed by the laws of the local jurisdiction and which may adversely affect an owner-lessor’s or mortgagee’s rights to the aircraft. “Preferential lien” means a lien that would take priority over the owner/lessor’s ownership and/or a mortgagee’s secured creditor rights in the aircraft, and “non-consensual” means that it arises by operation of law and not by agreement between a person with rights in the aircraft and the lien-holder. This factor comprises the following sub-factors:

Onerous and unusual preferential liens—non-possessory liens. Credit was given if the laws of the local jurisdiction do not provide for any non-consensual preferential non-possessory liens over aircraft that could arise in favor of a repairer / mechanic or a landlord / hangar-keeper.

Onerous and unusual preferential liens—fleet-wide liens. Credit was given if the laws of the local jurisdiction do not provide for any “fleet-wide” non-consensual preferential liens or equivalent rights or rights of detention over aircraft that could arise in favor of third parties not requiring any form of registration. A “fleet-wide” lien means a lien that has arisen as a result of unpaid amounts attributable to a particular aircraft in an operator’s fleet, but has attached or is capable of attaching to any other aircraft in that operator’s fleet (i.e. any other aircraft operated by that operator), regardless of the fact that the owners of such aircraft may be different.

Onerous and unusual preferential liens—liens in favor of a lessee or debtor. Credit was given if the laws of the local jurisdiction do not provide for any non-consensual preferential liens or equivalent rights or rights of detention over aircraft that could arise in favor of a lessee or debtor (i.e. not a third party) not requiring any form of registration. An example

of such lien might include a non-consensual preferential lien over the aircraft arising by operation of law in favor of a lessee in circumstances where the lessee has a valid counterclaim against the owner-lessor.

Government requisition and confiscation. Credit was given if the laws of the local jurisdiction do not allow the government to requisition or confiscate an aircraft without needing to pay the owner reasonable compensation. We asked local counsel to disregard government requisition or confiscation of the aircraft in circumstances where there has been a violation of any drug-trafficking laws or other criminal offenses.

Factor 7: Political Stability (weighting: 30%). This factor evaluates, predominantly, the adherence by the jurisdiction to the rule of law, by reference to a number of rule of law indices and other approximate measures, and should be helpful in determining the ease with which the theoretical legal rights available to an owner-lessor or mortgagee may be enforced in practice. This factor comprises the following sub-factors:

OECD status. Credit was given if the country is an OECD “high-income” or “zero-rated” country according to the OECD’s “country risk” classification system (see further, www.oecd.org/tad/xcred/cre-crc-current-english.pdf).

Sovereign credit rating. Credit was given to countries with an investment grade sovereign credit rating, according to Standard & Poor’s (or where a Standard & Poor’s rating is not available, according to Moody’s, if available).

World Justice Project – Rule of Law Index (2017-2018). Greater credit was given to countries with higher scores on the following measures: “Absence of Corruption”, “Open Government”, “Regulatory Enforcement” and “Civil Justice” (see further, worldjusticeproject.org/our-work/wjp-rule-law-index).

Heritage Foundation – 2018 Index of Economic Freedom. Greater credit was given to countries with higher scores on the following measures: “Property rights” and “Government Integrity” (see further, www.heritage.org/index/).

World Economic Forum – Global Competitiveness Report 2017-2018. Greater credit was given to countries with higher scores on the following measures: “Property rights”, “Irregular payments and bribes”, “Judicial independence”, “Favoritism in decisions of government officials”, “Efficiency of legal framework in settling disputes”, “Efficiency of legal framework in challenging regulations” and “Transparency of government policymaking” (see further, reports.weforum.org/global-competitiveness-index-2017-2018/).

In the event that there is no data on the country in either one or two of the rule of law indices, each such index is ignored for scoring purposes without any negative effect on that country’s aggregate score for this factor. In the rare event that there is no data on the country in all three of the indices, then the Political Stability factor is ignored in its entirety and a note is made on the one-page summary for that country (and in the Summary of Scores table beginning on page 18) indicating that no such data is available.

Summary of Scores

Summarized in the table below are the overall scores for each jurisdiction analyzed in this publication, together with a breakdown of the scores for each factor. The table has been sorted in descending order of overall score, with the highest scoring country at the top and the lowest scoring country at the bottom.

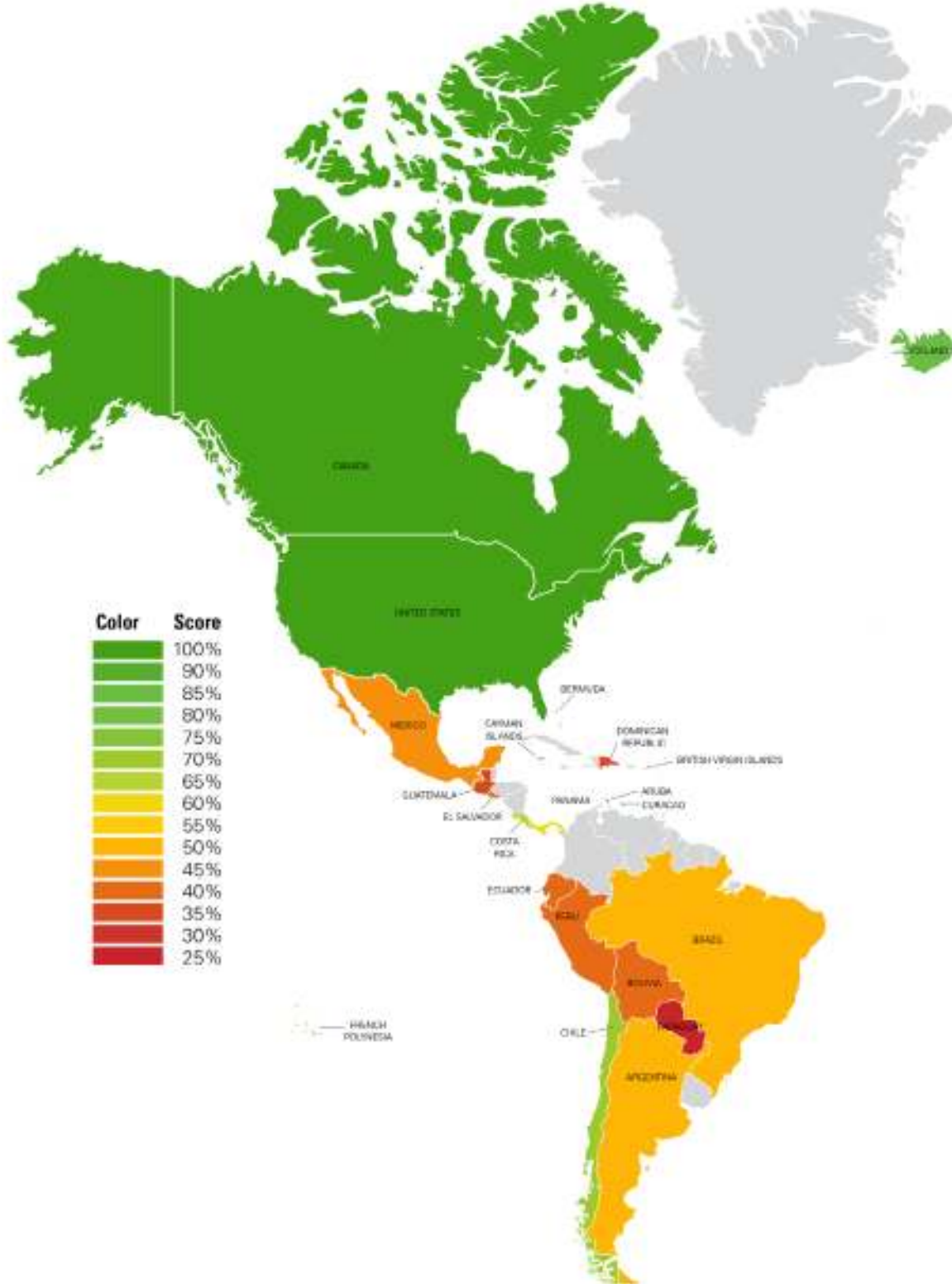
	Weighting:	(22.5%)	(12.5%)	(10.0%)	(10%)	(7.5%)	(7.5%)	(30.0%)	
Country	Repo.	Insolvency	Dereg.	Export	Judg. / Arb.	Pref. Liens	Pol. Stab.	TOTAL	
Antigua	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	No Data	100.0%	
Cuba	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	No Data	100.0%	
Samoa	100.0%	90.0%	100.0%	100.0%	100.0%	100.0%	No Data	98.2%	
NZ	100.0%	90.0%	100.0%	100.0%	100.0%	100.0%	94.4%	97.1%	
Albania	100.0%	90.0%	100.0%	100.0%	100.0%	75.0%	99.2%	96.6%	
USA	96.4%	90.0%	100.0%	100.0%	100.0%	100.0%	94.4%	96.3%	
Iran	82.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	96.0%	
Colombia	96.4%	90.0%	100.0%	100.0%	100.0%	75.0%	99.2%	95.8%	
Denmark	92.9%	90.0%	80.0%	100.0%	100.0%	75.0%	99.2%	93.0%	
Bahamas	95.0%	60.0%	100.0%	100.0%	100.0%	100.0%	No Data	91.3%	
Slovenia	92.9%	90.0%	100.0%	25.0%	100.0%	100.0%	100.0%	89.6%	
IC	85.7%	90.0%	100.0%	100.0%	100.0%	75.0%	85.7%	89.4%	
UK	89.3%	60.0%	100.0%	100.0%	100.0%	75.0%	94.4%	89.0%	
Canada	95.0%	90.0%	80.0%	100.0%	100.0%	50.0%	No Data	88.4%	
India	96.4%	80.0%	100.0%	100.0%	100.0%	50.0%	84.7%	88.4%	
Bulgaria	100.0%	60.0%	60.0%	100.0%	100.0%	100.0%	No Data	87.1%	
Ghana	71.4%	100.0%	60.0%	75.0%	100.0%	100.0%	100.0%	87.1%	
Guatemala	64.3%	90.0%	80.0%	100.0%	100.0%	50.0%	No Data	86.8%	
France	78.6%	90.0%	60.0%	75.0%	100.0%	100.0%	94.4%	85.8%	
Jordan	95.0%	60.0%	80.0%	100.0%	100.0%	75.0%	No Data	85.7%	
Spain	89.3%	70.0%	80.0%	100.0%	100.0%	100.0%	79.0%	85.5%	
Italy	85.7%	100.0%	80.0%	75.0%	100.0%	75.0%	83.7%	85.5%	
Algeria	71.4%	80.0%	100.0%	50.0%	100.0%	100.0%	92.9%	83.9%	
Mexico	96.4%	100.0%	80.0%	75.0%	100.0%	75.0%	68.9%	83.5%	
Switzerland	71.4%	80.0%	60.0%	75.0%	100.0%	75.0%	100.0%	82.7%	
Poland	82.1%	90.0%	80.0%	75.0%	100.0%	75.0%	73.4%	80.4%	
Norway	85.7%	80.0%	40.0%	75.0%	100.0%	25.0%	100.0%	80.2%	
Finland	85.7%	60.0%	20.0%	75.0%	100.0%	100.0%	93.7%	79.4%	
Sweden	75.0%	70.0%	20.0%	75.0%	100.0%	75.0%	100.0%	78.3%	
HK	64.3%	60.0%	100.0%	100.0%	100.0%	50.0%	83.3%	78.2%	
Czech Republic	82.1%	90.0%	40.0%	75.0%	100.0%	50.0%	82.1%	77.1%	
Brazil	82.1%	70.0%	20.0%	50.0%	100.0%	50.0%	93.7%	73.6%	

Country	(22.5%)	(12.5%)	(10.0%)	(10%)	(7.5%)	(7.5%)	(30.0%)	TOTAL
Country	Repo.	Insolvency	Dereg.	Export	Judg. / Arb.	Pref. Liens	Pol. Stab.	
China	64.3%	100.0%	40.0%	50.0%	100.0%	50.0%	86.5%	73.2%
Denmark	67.9%	60.0%	60.0%	0.0%	100.0%	100.0%	93.7%	71.9%
France (Paris)	80.0%	60.0%	20.0%	75.0%	100.0%	100.0%	No Data	71.4%
France (Cairns)	80.0%	60.0%	20.0%	75.0%	100.0%	100.0%	No Data	71.4%
Germany	75.0%	60.0%	0.0%	100.0%	100.0%	75.0%	73.0%	69.4%
India	75.0%	90.0%	0.0%	100.0%	100.0%	75.0%	58.7%	68.9%
Japan	42.9%	60.0%	20.0%	75.0%	100.0%	100.0%	88.9%	68.3%
Korea (Republic of)	57.1%	60.0%	0.0%	75.0%	100.0%	100.0%	80.6%	67.0%
Korea	67.9%	90.0%	100.0%	100.0%	100.0%	75.0%	22.8%	66.5%
Spain	67.9%	60.0%	0.0%	75.0%	100.0%	75.0%	74.4%	65.7%
China (Taipei)	57.1%	60.0%	80.0%	50.0%	100.0%	100.0%	57.1%	65.5%
Portugal	50.0%	60.0%	40.0%	75.0%	100.0%	100.0%	67.1%	65.4%
Singapore	82.1%	100.0%	0.0%	75.0%	100.0%	50.0%	52.0%	65.3%
Taiwan (Republic of China)	42.9%	80.0%	0.0%	100.0%	66.7%	100.0%	75.5%	64.8%
Thailand	42.9%	80.0%	80.0%	100.0%	100.0%	75.0%	45.4%	64.4%
Indonesia	85.7%	90.0%	100.0%	75.0%	33.3%	25.0%	39.9%	64.4%
Saudi Arabia	50.0%	100.0%	80.0%	25.0%	100.0%	100.0%	48.4%	63.8%
Thailand	75.0%	70.0%	40.0%	100.0%	100.0%	50.0%	41.7%	63.4%
Malaysia	46.4%	60.0%	100.0%	50.0%	100.0%	75.0%	57.7%	63.4%
Pakistan	57.1%	90.0%	80.0%	100.0%	33.3%	100.0%	37.3%	63.3%
China	57.1%	90.0%	100.0%	75.0%	33.3%	50.0%	48.4%	62.4%
Norway	75.0%	90.0%	100.0%	75.0%	100.0%	50.0%	14.9%	61.3%
Pakistan	67.9%	60.0%	100.0%	100.0%	100.0%	100.0%	11.7%	61.3%
Russia	67.9%	60.0%	20.0%	50.0%	100.0%	75.0%	57.1%	60.0%
United Arab Emirates	21.4%	60.0%	80.0%	50.0%	100.0%	50.0%	77.8%	59.9%
Taiwan	75.0%	70.0%	80.0%	50.0%	100.0%	50.0%	30.1%	58.9%
Mexico	64.3%	20.0%	40.0%	100.0%	100.0%	0.0%	65.3%	58.0%
China	42.9%	80.0%	40.0%	75.0%	100.0%	75.0%	39.7%	56.2%
Macau	32.1%	80.0%	40.0%	75.0%	100.0%	100.0%	40.0%	55.7%
Latvia	75.0%	20.0%	0.0%	50.0%	100.0%	75.0%	59.7%	55.4%
Japan	50.0%	50.0%	80.0%	50.0%	33.3%	75.0%	53.2%	54.6%
Australia	39.3%	90.0%	80.0%	50.0%	100.0%	75.0%	27.2%	54.4%
Brazil	46.4%	100.0%	80.0%	25.0%	100.0%	50.0%	31.5%	54.2%
Colombia	57.1%	20.0%	80.0%	75.0%	33.3%	75.0%	48.0%	53.4%
Nepal	75.0%	30.0%	40.0%	25.0%	33.3%	100.0%	No Data	53.0%
Canada (Quebec)	46.4%	80.0%	100.0%	75.0%	100.0%	50.0%	12.5%	52.9%
Mexico	53.6%	60.0%	40.0%	50.0%	100.0%	50.0%	42.9%	52.7%
Mexico	46.4%	90.0%	80.0%	75.0%	100.0%	75.0%	7.1%	52.5%
Philippines	32.1%	60.0%	80.0%	75.0%	100.0%	75.0%	29.8%	52.3%

Country	Weighting: (22.5%)	(12.5%)	(10.0%)	(10%)	(7.5%)	(7.5%)	(30.0%)	TOTAL
Country	Repo.	Insolvency	Dereg.	Export	Judg. / Arb.	Pref. Liens	Pol. Stab.	
na	46.4%	90.0%	0.0%	75.0%	66.7%	75.0%	38.8%	51.5%
FR	78.6%	50.0%	0.0%	100.0%	100.0%	50.0%	20.0%	51.2%
Papua New Guinea	57.1%	90.0%	100.0%	75.0%	66.7%	50.0%	0.0%	50.4%
ba	57.1%	20.0%	80.0%	75.0%	100.0%	100.0%	9.9%	48.8%
m	50.0%	90.0%	0.0%	25.0%	100.0%	100.0%	29.4%	48.8%
t	53.6%	60.0%	40.0%	75.0%	33.3%	75.0%	31.3%	48.6%
ba	42.9%	80.0%	20.0%	25.0%	33.3%	75.0%	53.6%	48.3%
e	64.3%	50.0%	60.0%	100.0%	0.0%	75.0%	15.7%	47.0%
Az	60.7%	20.0%	0.0%	100.0%	100.0%	25.0%	38.3%	47.0%
V	57.1%	50.0%	80.0%	50.0%	33.3%	75.0%	20.2%	46.3%
m	40.0%	0.0%	100.0%	50.0%	33.3%	75.0%	No Data	45.9%
Kazak	42.9%	50.0%	80.0%	50.0%	33.3%	25.0%	42.1%	45.9%
s	57.1%	40.0%	80.0%	25.0%	100.0%	50.0%	19.4%	45.4%
uk	71.4%	50.0%	40.0%	25.0%	100.0%	50.0%	16.5%	45.0%
r	39.3%	60.0%	0.0%	25.0%	100.0%	50.0%	48.4%	44.6%
g	39.3%	60.0%	0.0%	25.0%	33.3%	75.0%	54.6%	43.3%
b	57.1%	60.0%	80.0%	75.0%	33.3%	50.0%	3.6%	43.2%
i	21.4%	40.0%	0.0%	75.0%	100.0%	50.0%	48.6%	43.2%
P	35.7%	60.0%	20.0%	25.0%	100.0%	75.0%	30.8%	42.4%
sa	50.0%	20.0%	0.0%	25.0%	33.3%	75.0%	56.1%	41.2%
r	21.4%	100.0%	20.0%	25.0%	33.3%	100.0%	30.2%	40.9%
e	50.0%	20.0%	40.0%	75.0%	100.0%	50.0%	14.3%	40.8%
e	50.0%	30.0%	60.0%	25.0%	100.0%	100.0%	7.9%	40.9%
b	7.1%	20.0%	20.0%	75.0%	100.0%	75.0%	38.5%	38.3%
m	46.4%	20.0%	20.0%	50.0%	33.3%	100%	26.2%	37.8%
g	35.7%	50.0%	0.0%	75.0%	100.0%	50.0%	15.3%	37.6%
d	21.4%	20.0%	40.0%	75.0%	100.0%	50.0%	21.6%	36.6%
t	35.7%	60.0%	20.0%	25.0%	33.3%	75.0%	27.4%	36.4%
s	25.0%	20.0%	80.0%	75.0%	33.3%	75.0%	14.7%	36.2%
e	21.4%	20.0%	80.0%	75.0%	33.3%	50.0%	14.9%	33.5%
Pa	14.3%	60.0%	0.0%	50.0%	33.3%	25.0%	6.1%	21.9%

World Map

This world map summarizes the overall scores and asset recoverability ratings for each jurisdiction. The green, yellow and red colorings represent jurisdictions whose asset recoverability ratings are “LOWER RISK,” “MODERATE,” or “HIGHER RISK” respectively with the bner gradient of the color indicating whether the jurisdiction sits in the top, middle or bottom range of that category.



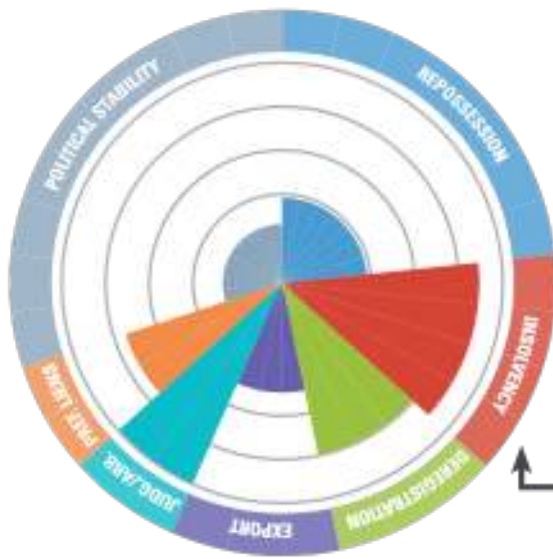
COMPLETED BY:

Argüelles & Asociados

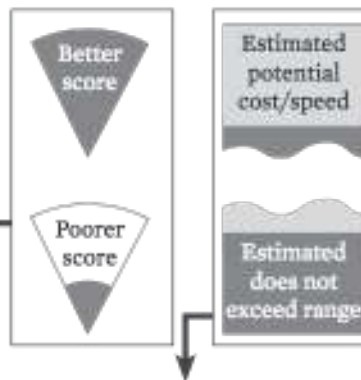
ARGÜELLES & ASOCIADOS
ABOGADOS

CONTACT: AMILCAR EMILIO ARGÜELLES, Partner, earguelles@arguelaw.com

JORGE ALBERTO PEZZUTI, Partner, jpezzuti@arguelaw.com



Before using the information on this page, please read the **GENERAL DISCLAIMER**.



Overall Score

54%

Category

MODERATE

Weighting		Score:
22.5%	Repossession	39%
12.5%	Insolvency	90%
10.0%	Deregistration	80%
10.0%	Export	50%
7.5%	Judgments/Arb.	100%
7.5%	Preferential Liens	75%
30.0%	Political Stability	27%

Time & Cost Indicators

N.B. Low political stability may affect reliability of these values

	Legal Cost of Repossession (\$)	Speed of Repossession (time)	Insolvency Moratorium Period (time)
	\$50,000	60 days	60 days
	\$250,000	180 days	180 days
	\$1,000,000	1 year	1 year/variable

↑ CHEAPER/FASTER

Key Facts¹

OECD high-income/zero-rated country:	<input type="checkbox"/> NO
Cape Town Contracting State:	<input checked="" type="checkbox"/> YES
Eligible for ASU Cape Town Discount:	<input type="checkbox"/> NO
Self-help (Lessor-owners):	<input type="checkbox"/> NO
Self-help (Mortgagees):	<input type="checkbox"/> NO
Moderately or well-developed insolvency laws:	<input checked="" type="checkbox"/> YES
Absence of significant taxes or similar fees payable on export:	<input checked="" type="checkbox"/> YES
Absence of fleetwide liens:	<input checked="" type="checkbox"/> YES
<i>Local court will enforce, without reexamination of case on merits...</i>	
a New York court judgment:	<input checked="" type="checkbox"/> YES
an English court judgment:	<input checked="" type="checkbox"/> YES
an arbitral award:	<input checked="" type="checkbox"/> YES

¹Additional information regarding third party data is available on page 221.

Aircraft Registration

Possible principal registrants:

Owner (if not also the operator): YES

Operator (if not also the owner): YES

Additional interests that may be noted, either on the aircraft register, some other public register, or on the certificate of registration:

Owner: N/A Mortgagee: YES

Alternative Country of Registration #1:

N/A

Blended Score:

N/A

Blended Category:

N/A

Alternative Country of Registration #2:

N/A

Blended Score:

N/A

Blended Category:

N/A

More Results

For a more detailed results sheet or the full set of responses to the Jurisdictional Questionnaire, please contact:

reindex@pillsburylaw.com

(*) Local counsel has provided additional notes for this country.

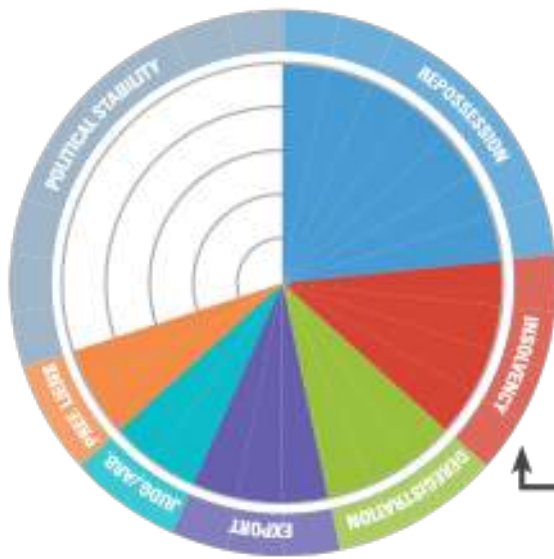
COMPLETED BY:

Gomez & Coffie

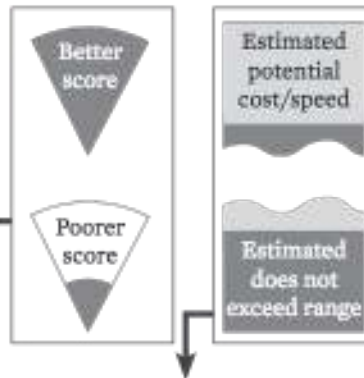


CONTACT: LINCOLN D. GOMEZ, Managing Partner, lincoln@gobiklaw.com

BRYAN COFFIE, Partner, bryan@gobiklaw.com



(**) Overall Score disregards Political Stability (insufficient data)



Before using the information on this page, please read the GENERAL DISCLAIMER.

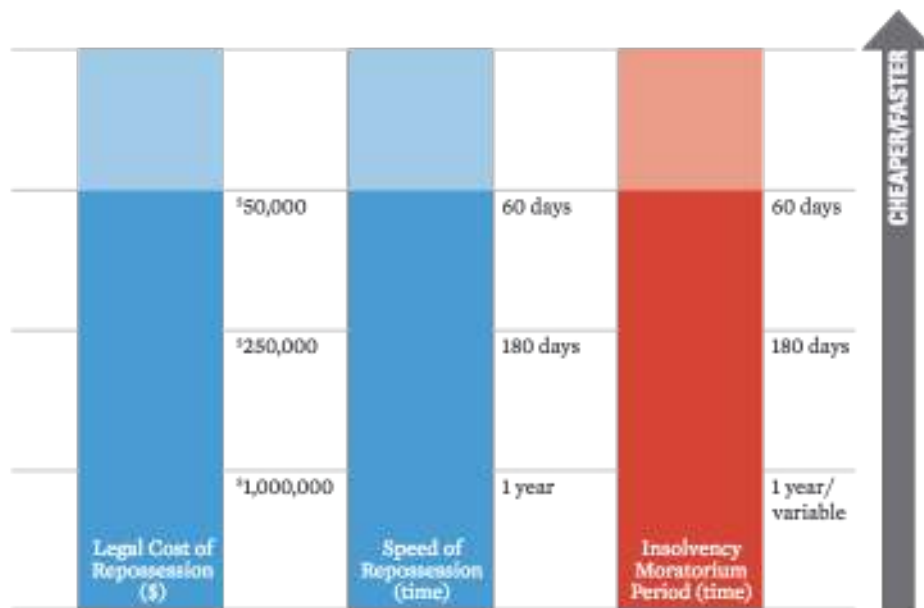
Overall Score (**)

100%

LOWER

Weighting	Score:
22.5% ■ Repossession	100%
12.5% ■ Insolvency	100%
10.0% ■ Deregistration	100%
10.0% ■ Export	100%
7.5% ■ Judgments/Arb.	100%
7.5% ■ Preferential Liens	100%
30.0% ■ Political Stability	No data

Time & Cost Indicators



Key Facts¹

- OECD high-income/zero-rated country: NO
- Cape Town Contracting State: YES
- Eligible for ASU Cape Town Discount: NO
- Self-help (Lessor-owners): YES
- Self-help (Mortgagees): YES
- Moderately or well-developed insolvency laws: YES
- Absence of significant taxes or similar fees payable on export: YES
- Absence of fleetwide liens: YES
- Local court will enforce, without reexamination of case on merits... YES
- a New York court judgment: YES
- an English court judgment: YES
- an arbitral award: YES

¹Additional information regarding third party data is available on page 221.

Aircraft Registration

Possible principal registrants:	Alternative Country of Registration #1:	Blended Score:	Blended Category:
Owner (if not also the operator): <input checked="" type="checkbox"/> YES	N/a	N/A	N/A
Operator (if not also the owner): <input checked="" type="checkbox"/> YES			
Additional interests that may be noted, either on the aircraft register, some other public register, or on the certificate of registration:	Alternative Country of Registration #2:	Blended Score:	Blended Category:
Owner: <input checked="" type="checkbox"/> YES Mortgagee: <input checked="" type="checkbox"/> YES	N/a	N/A	N/A

More Results

For a more detailed results sheet or the full set of responses to the Jurisdictional Questionnaire, please contact: repointex@pillsburylaw.com

(*) Local counsel has provided additional notes for this country.

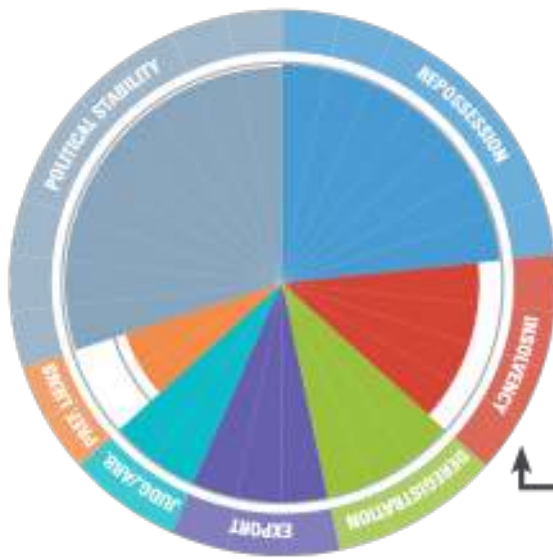
COMPLETED BY:

King & Wood Malleons

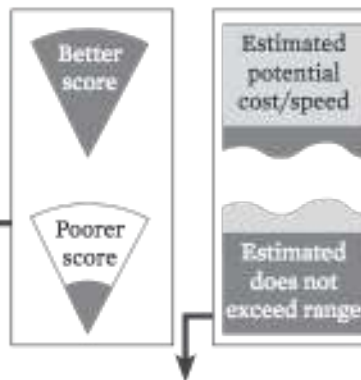
**KING & WOOD
MALLEONS**
金杜律师事务所

CONTACT: JOHN CANNING, Partner, john.canning@au.kwm.com

TEJASWI NIMMAGADDA, Counsel,
tejaswi.nimmagadda@hk.kwm.com



Before using the information on this page, please read the **GENERAL DISCLAIMER**.



Overall Score

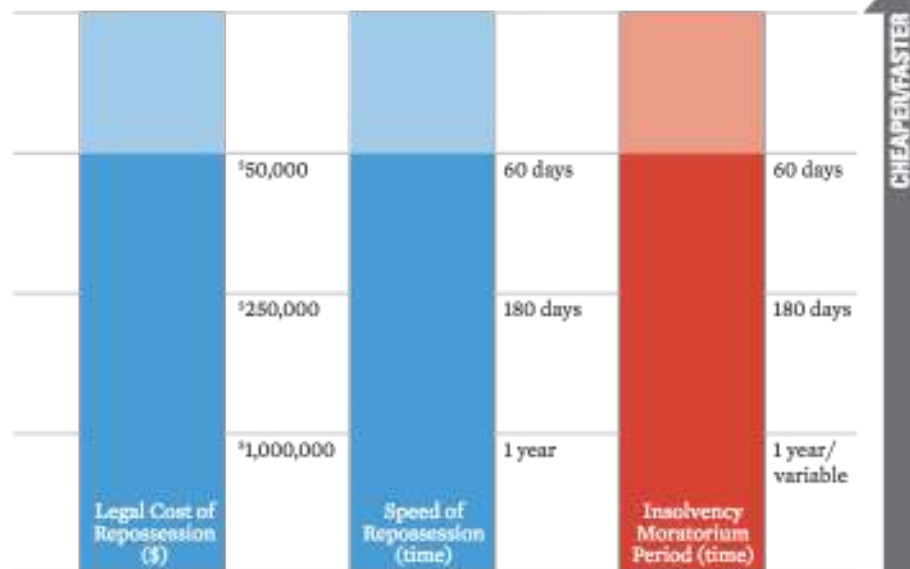
97%

Category

LOWER

Weighting		Score:
22.5%	Repossession	100%
12.5%	Insolvency	90%
10.0%	Deregistration	100%
10.0%	Export	100%
7.5%	Judgments/Arb.	100%
7.5%	Preferential Liens	75%
30.0%	Political Stability	99%

Time & Cost Indicators



Key Facts¹

- OECD high-income/zero-rated country: **YES**
- Cape Town Contracting State: **YES**
- Eligible for ASU Cape Town Discount: **YES**
- Self-help (Lessor-owners): **YES**
- Self-help (Mortgagees): **YES**
- Moderately or well-developed insolvency laws: **YES**
- Absence of significant taxes or similar fees payable on export: **YES**
- Absence of fleetwide liens: **YES**
- Local court will enforce, without reexamination of case on merits... **YES**
- a New York court judgment: **YES**
- an English court judgment: **YES**
- an arbitral award: **YES**

¹Additional information regarding third party data is available on page 221.

Aircraft Registration

Possible principal registrants:

- Owner (if not also the operator): **YES**
- Operator (if not also the owner): **NO**

Additional interests that may be noted, either on the aircraft register, some other public register, or on the certificate of registration:

- Owner: **N/A**
- Mortgagee: **NO**

Alternative Country of Registration #1:

New Zealand

Alternative Country of Registration #2:

United States

Blended Score:

97%

Blended Category:

LOWER

Blended Score:

97%

Blended Category:

LOWER

More Results

For a more detailed results sheet or the full set of responses to the Jurisdictional Questionnaire, please contact:

reindex@pillsburylaw.com

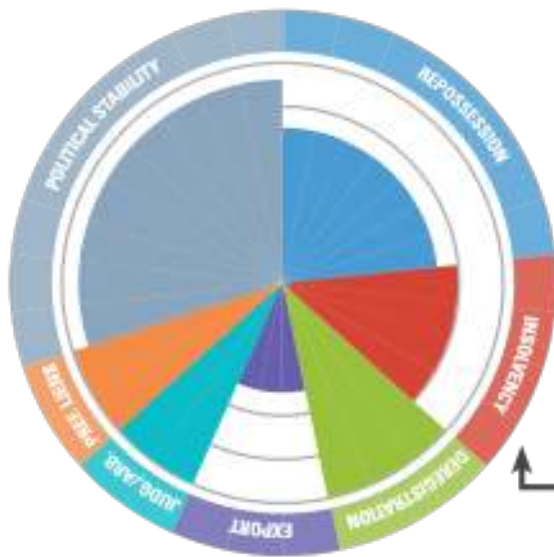
COMPLETED BY:

**Binder Grösswang
Rechtsanwälte GmbH**

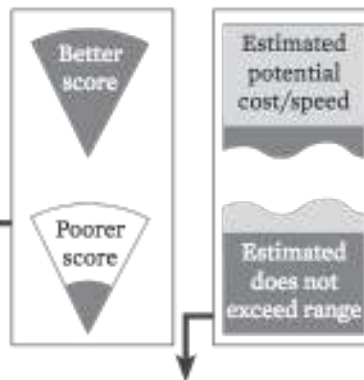
BINDER GRÖSSWANG

CONTACT: EMANUEL WELTEN, Partner, welten@bindergroesswang.at

ROBERT WIPPEL, Attorney, wippel@bindergroesswang.at



Before using the information on this page, please read the **GENERAL DISCLAIMER**.



Overall Score

Category

84%

LOWER

Weighting		Score:
22.5%	Repossession	71%
12.5%	Insolvency	80%
10.0%	Deregistration	100%
10.0%	Export	50%
7.5%	Judgments/Arb.	100%
7.5%	Preferential Liens	100%
30.0%	Political Stability	93%

Time & Cost Indicators

Legal Cost of Repossession (\$)	Speed of Repossession (time)	Insolvency Moratorium Period (time)
\$50,000	60 days	60 days
\$250,000	180 days	180 days
\$1,000,000	1 year	1 year/variable

↑ CHEAPER/FASTER

Key Facts¹

OECD high-income/zero-rated country:	YES
Cape Town Contracting State:	NO
Eligible for ASU Cape Town Discount:	NO
Self-help (Lessor-owners):	YES
Self-help (Mortgagees):	YES
Moderately or well-developed insolvency laws:	YES
Absence of significant taxes or similar fees payable on export:	YES
Absence of fleetwide liens:	YES
<i>Local court will enforce, without reexamination of case on merits...</i>	
a New York court judgment:	NO
an English court judgment:	YES
an arbitral award:	YES

¹Additional information regarding third party data is available on page 221.

Aircraft Registration

Possible principal registrants:	Alternative Country of Registration #1:	Blended Score:	Blended Category:
Owner (if not also the operator): NO	N/A	N/A	N/A
Operator (if not also the owner): YES			
Additional interests that may be noted, either on the aircraft register, some other public register, or on the certificate of registration:	Alternative Country of Registration #2:	Blended Score:	Blended Category:
Owner: NO Mortgagee: NO	N/A	N/A	N/A

More Results

For a more detailed results sheet or the full set of responses to the Jurisdictional Questionnaire, please contact:

repointex@pillsburylaw.com

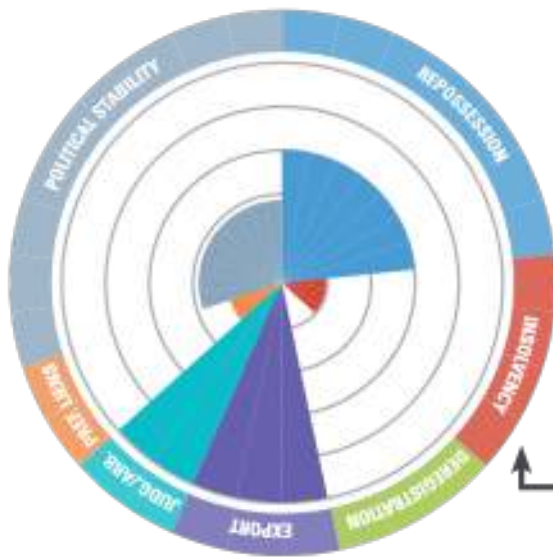
COMPLETED BY:

BM Morrison Partners LLC

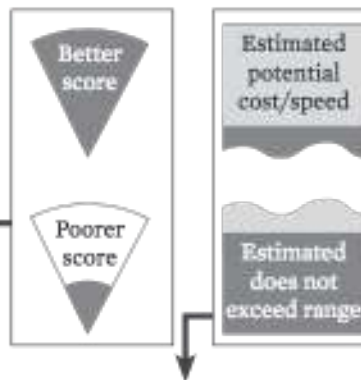


CONTACT: DELARA ISRAFILOVA, Partner, disrafilova@bmlawaz.com

LEYLA SAFAROVA, Associate, lsafarova@bmlawaz.com



Before using the information on this page, please read the **GENERAL DISCLAIMER**.



Overall Score

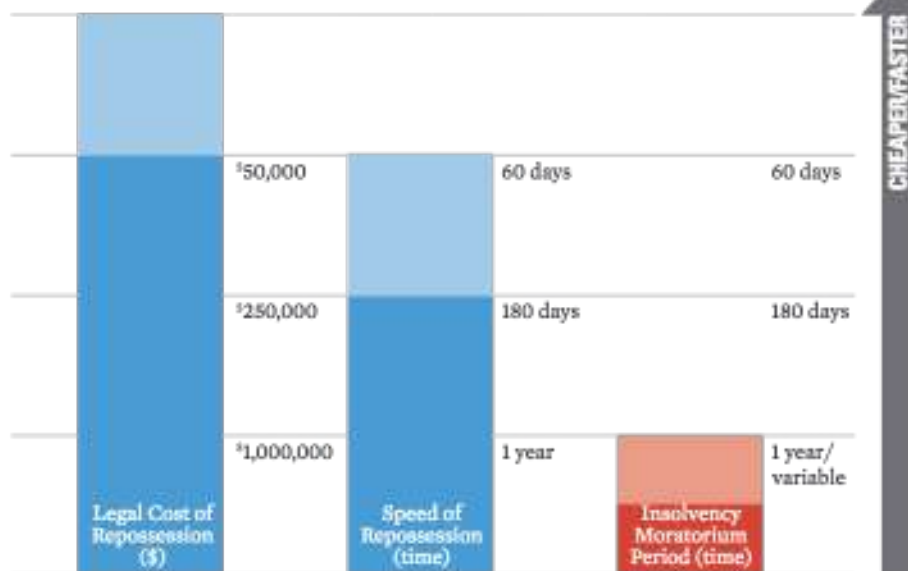
47%

Category

HIGHER

Weighting		Score:
22.5%	Repossession	61%
12.5%	Insolvency	20%
10.0%	Deregistration	0%
10.0%	Export	100%
7.5%	Judgments/Arb.	100%
7.5%	Preferential Liens	25%
30.0%	Political Stability	38%

Time & Cost Indicators



Aircraft Registration

Possible principal registrants:

Owner (if not also the operator): **YES**

Operator (if not also the owner): **NO**

Additional interests that may be noted, either on the aircraft register, some other public register, or on the certificate of registration:

Owner: **N/A** Mortgagee: **YES**

Alternative Country of Registration #1:

Bermuda

Alternative Country of Registration #2:

N/A

Blended Score:

61%

Blended Score:

N/A

Blended Category:

MOD.

Blended Category:

N/A

Key Facts¹

OECD high-income/zero-rated country:	NO
Cape Town Contracting State:	NO
Eligible for ASU Cape Town Discount:	NO
Self-help (Lessor-owners):	YES
Self-help (Mortgagees):	NO
Moderately or well-developed insolvency laws:	NO
Absence of significant taxes or similar fees payable on export:	YES
Absence of fleetwide liens:	NO
Local court will enforce, without reexamination of case on merits...	YES
a New York court judgment:	YES
an English court judgment:	YES
an arbitral award:	YES

¹Additional information regarding third party data is available on page 221.

More Results

For a more detailed results sheet or the full set of responses to the Jurisdictional Questionnaire, please contact:
reindex@pillsburylaw.com

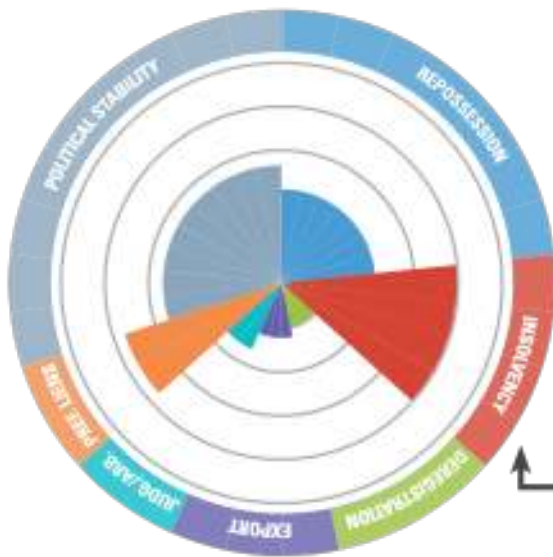
COMPLETED BY:

Al Salam Advocates

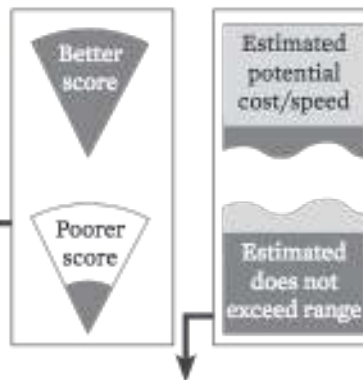


CONTACT: AHMED RAHMI, Partner, a.rahmy@alsalamadvocates.com

ALAA ALQASSAB, Senior Associate, a.alqassab@alsalamadvocates.com



Before using the information on this page, please read the **GENERAL DISCLAIMER**.



Overall Score

Category

48%

HIGHER

Weighting	Score:
22.5%	Repossession 43%
12.5%	Insolvency 80%
10.0%	Deregistration 20%
10.0%	Export 25%
7.5%	Judgments/Arb. 33%
7.5%	Preferential Liens 75%
30.0%	Political Stability 54%

Time & Cost Indicators

Indicator	Value	Time	Time
Legal Cost of Repossession (\$)	\$50,000	60 days	60 days
Speed of Repossession (time)	\$250,000	180 days	180 days
Insolvency Moratorium Period (time)	\$1,000,000	1 year	1 year/variable

CHEAPER/FASTER

Key Facts¹

OECD high-income/zero-rated country:	NO
Cape Town Contracting State:	YES
Eligible for ASU Cape Town Discount:	NO
Self-help (Lessor-owners):	YES
Self-help (Mortgagees):	NO
Moderately or well-developed insolvency laws:	YES
Absence of significant taxes or similar fees payable on export:	NO
Absence of fleetwide liens:	NO
<i>Local court will enforce, without reexamination of case on merits...</i>	
a New York court judgment:	NO
an English court judgment:	NO
an arbitral award:	YES

¹Additional information regarding third party data is available on page 221.

Aircraft Registration

Possible principal registrants:	Alternative Country of Registration #1:	Blended Score:	Blended Category:
Owner (if not also the operator): YES	N/A	N/A	N/A
Operator (if not also the owner): NO			
Additional interests that may be noted, either on the aircraft register, some other public register, or on the certificate of registration:	Alternative Country of Registration #2:	Blended Score:	Blended Category:
Owner: N/A Mortgagee: YES	N/A	N/A	N/A

More Results

For a more detailed results sheet or the full set of responses to the Jurisdictional Questionnaire, please contact:

repointex@pillsburylaw.com

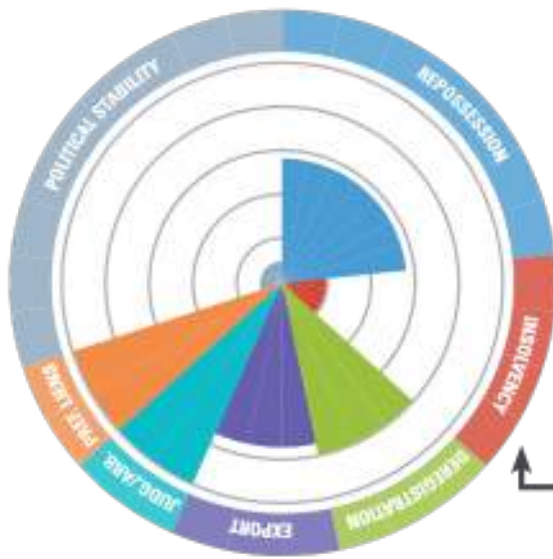
COMPLETED BY:

Hossain & Khan Associates

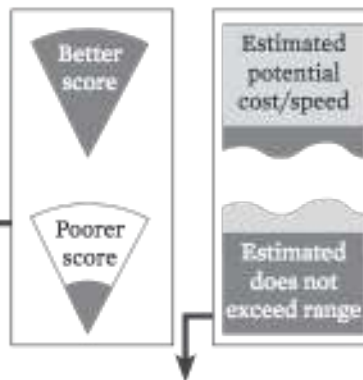


CONTACT: MOHAMMED MUDDASIR HOSSAIN, Partner,
muddasir.hossain@hnklaw.org

SAIMUM ISLAM, Senior Associate, saimum.islam@hnklaw.org



Before using the information on this page, please read the **GENERAL DISCLAIMER**.



Overall Score

49%

Category

HIGHER

Weighting		Score:
22.5%	Repossession	57%
12.5%	Insolvency	20%
10.0%	Deregistration	80%
10.0%	Export	75%
7.5%	Judgments/Arb.	100%
7.5%	Preferential Liens	100%
30.0%	Political Stability	10%

Time & Cost Indicators

N.B. Low political stability may affect reliability of these values

	Legal Cost of Repossession (\$)	Speed of Repossession (time)	Insolvency Moratorium Period (time)
	\$50,000	60 days	60 days
	\$250,000	180 days	180 days
	\$1,000,000	1 year	1 year/variable

CHEAPER/FASTER ↑

Key Facts¹

OECD high-income/zero-rated country:	NO
Cape Town Contracting State:	YES
Eligible for ASU Cape Town Discount:	NO
Self-help (Lessor-owners):	YES
Self-help (Mortgagees):	YES
Moderately or well-developed insolvency laws:	NO
Absence of significant taxes or similar fees payable on export:	YES
Absence of fleetwide liens:	YES
<i>Local court will enforce, without reexamination of case on merits...</i>	
a New York court judgment:	YES
an English court judgment:	YES
an arbitral award:	YES

¹Additional information regarding third party data is available on page 221.

Aircraft Registration

Possible principal registrants:

Owner (if not also the operator): **YES**

Operator (if not also the owner): **YES**

Additional interests that may be noted, either on the aircraft register, some other public register, or on the certificate of registration:

Owner: **YES** Mortgagee: **YES**

Alternative Country of Registration #1:

N/A

Blended Score:

N/A

Blended Category:

N/A

Alternative Country of Registration #2:

N/A

Blended Score:

N/A

Blended Category:

N/A

More Results

For a more detailed results sheet or the full set of responses to the Jurisdictional Questionnaire, please contact:

reindex@pillsburylaw.com

Belgium (*)

Jurisdiction(s): Belgium

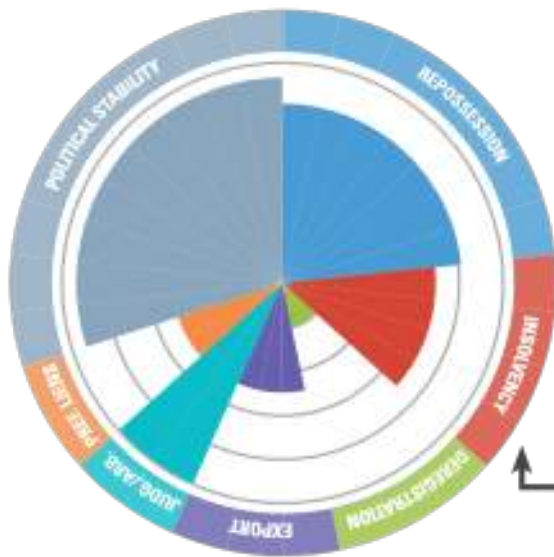
(*) Local counsel has provided additional notes for this country.

COMPLETED BY:

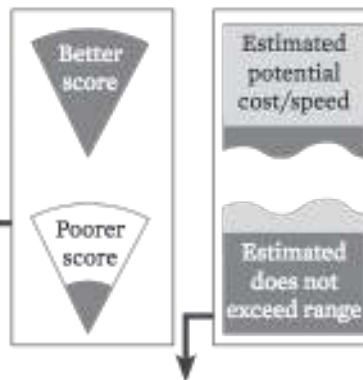
LVP Law



CONTACT: MIA WOUTERS, Prof / Of Counsel, mia.wouters@lvplaw.be



Before using the information on this page, please read the **GENERAL DISCLAIMER**.



Overall Score

Category

74%

MODERATE

Weighting		Score:
22.5%	Repossession	82%
12.5%	Insolvency	70%
10.0%	Deregistration	20%
10.0%	Export	50%
7.5%	Judgments/Arb.	100%
7.5%	Preferential Liens	50%
30.0%	Political Stability	94%

Time & Cost Indicators

	Legal Cost of Repossession (\$)	Speed of Repossession (time)	Insolvency Moratorium Period (time)
\$50,000	60 days	60 days	
\$250,000	180 days	180 days	
\$1,000,000	1 year	1 year/variable	

CHEAPER/FASTER

Key Facts¹

OECD high-income/zero-rated country:	YES
Cape Town Contracting State:	NO
Eligible for ASU Cape Town Discount:	NO
Self-help (Lessor-owners):	NO
Self-help (Mortgagees):	NO
Moderately or well-developed insolvency laws:	YES
Absence of significant taxes or similar fees payable on export:	YES
Absence of fleetwide liens:	NO
<i>Local court will enforce, without reexamination of case on merits...</i>	
a New York court judgment:	YES
an English court judgment:	YES
an arbitral award:	YES

¹Additional information regarding third party data is available on page 221.

Aircraft Registration

Possible principal registrants:

Owner (if not also the operator): **NO**

Operator (if not also the owner): **YES**

Additional interests that may be noted, either on the aircraft register, some other public register, or on the certificate of registration:

Owner: **NO**

Mortgagee: **NO**

Alternative Country of Registration #1:

Malta

Alternative Country of Registration #2:

N/A

Blended Score:

80%

Blended Score:

N/A

Blended Category:

LOWER

Blended Category:

N/A

More Results

For a more detailed results sheet or the full set of responses to the Jurisdictional Questionnaire, please contact:

repoinde@pillsburylaw.com

Bermuda (*)

Jurisdiction(s): Bermuda

ONE-PAGE SUMMARIES

Up to Date: January 2018

(*) Local counsel has provided additional notes for this country.

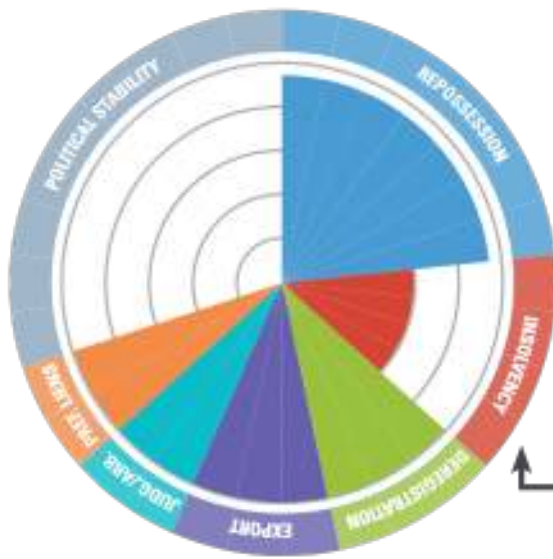
COMPLETED BY:

Conyers Dill & Pearman Limited

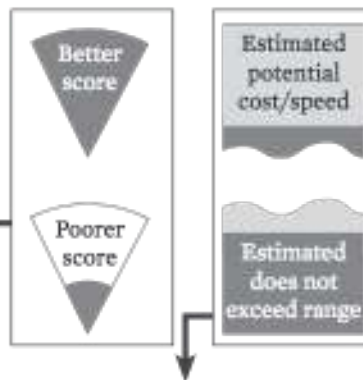


CONTACT: JULIE MCLEAN, Director/ Head of Aviation Finance,
julie.mclean@conyersdill.com

JASON PINEY, Director, jason.piney@conyersdill.com



(**) Overall Score disregards Political Stability (insufficient data)



Before using the information on this page, please read the GENERAL DISCLAIMER.

Overall Score (**)

91%

LOWER

Weighting		Score:
22.5%	Repossession	95%
12.5%	Insolvency	60%
10.0%	Deregistration	100%
10.0%	Export	100%
7.5%	Judgments/Arb.	100%
7.5%	Preferential Liens	100%
30.0%	Political Stability	No data

Time & Cost Indicators

Indicator	Value	Unit	Unit
Legal Cost of Repossession (\$)	\$50,000	60 days	60 days
Speed of Repossession (time)	\$250,000	180 days	180 days
Insolvency Moratorium Period (time)	\$1,000,000	1 year	1 year/variable

↑ CHEAPER/FASTER

Key Facts¹

OECD high-income/zero-rated country:	NO
Cape Town Contracting State:	YES
Eligible for ASU Cape Town Discount:	NO
Self-help (Lessor-owners):	YES
Self-help (Mortgagees):	YES
Moderately or well-developed insolvency laws:	YES
Absence of significant taxes or similar fees payable on export:	YES
Absence of fleetwide liens:	YES
<i>Local court will enforce, without reexamination of case on merits...</i>	
a New York court judgment:	NO
an English court judgment:	YES
an arbitral award:	YES

¹Additional information regarding third party data is available on page 221.

Aircraft Registration

Possible principal registrants:

Owner (if not also the operator): **YES**

Operator (if not also the owner): **YES**

Additional interests that may be noted, either on the aircraft register, some other public register, or on the certificate of registration:

Owner: **NO** Mortgagee: **YES**

Alternative Country of Registration #1:

N/A

Blended Score:

N/A

Blended Category:

N/A

Alternative Country of Registration #2:

N/A

Blended Score:

N/A

Blended Category:

N/A

More Results

For a more detailed results sheet or the full set of responses to the Jurisdictional Questionnaire, please contact:

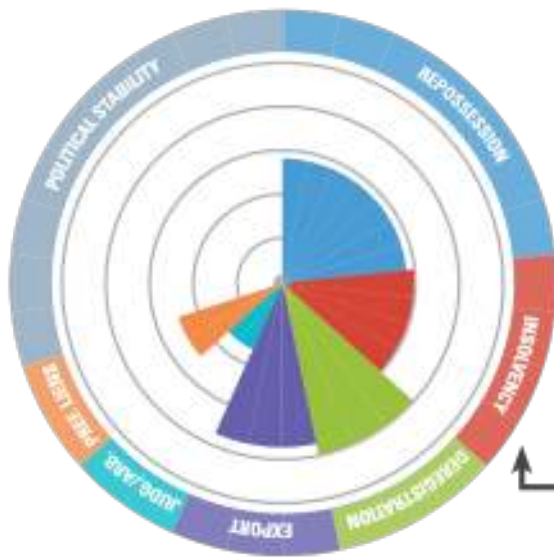
reindex@pillsburylaw.com

COMPLETED BY:

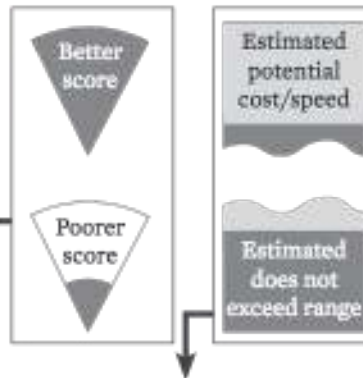
C.R. & F. Rojas Abogados S.R.L.

C.R. & F. ROJAS
ABOGADOS

CONTACT: MARIA DEL CARMEN BALLIVIÁN, Partner,
mariaac@rojas-lawfirm.com



Before using the information on this page, please read the **GENERAL DISCLAIMER**.



Overall Score

Category

43%

HIGHER

Weighting		Score:
22.5%	Repossession	57%
12.5%	Insolvency	60%
10.0%	Deregistration	80%
10.0%	Export	75%
7.5%	Judgments/Arb.	33%
7.5%	Preferential Liens	50%
10.0%	Political Stability	4%

Time & Cost Indicators

N.B. Low political stability may affect reliability of these values

	Legal Cost of Repossession (\$)	Speed of Repossession (time)	Insolvency Moratorium Period (time)
	\$50,000	60 days	60 days
	\$250,000	180 days	180 days
	\$1,000,000	1 year	1 year/variable

CHEAPER/FASTER ↑

Key Facts¹

OECD high-income/zero-rated country:	NO
Cape Town Contracting State:	NO
Eligible for ASU Cape Town Discount:	NO
Self-help (Lessor-owners):	NO
Self-help (Mortgagees):	NO
Moderately or well-developed insolvency laws:	NO
Absence of significant taxes or similar fees payable on export:	YES
Absence of fleetwide liens:	NO
<i>Local court will enforce, without reexamination of case on merits...</i>	
a New York court judgment:	NO
an English court judgment:	NO
an arbitral award:	YES

¹Additional information regarding third party data is available on page 221.

Aircraft Registration

Possible principal registrants:	Alternative Country of Registration #1:	Blended Score:	Blended Category:
Owner (if not also the operator): YES	N/A	N/A	N/A
Operator (if not also the owner): YES			
Additional interests that may be noted, either on the aircraft register, some other public register, or on the certificate of registration:	Alternative Country of Registration #2:	Blended Score:	Blended Category:
Owner: YES Mortgagee: YES	N/A	N/A	N/A

More Results

For a more detailed results sheet or the full set of responses to the Jurisdictional Questionnaire, please contact:

repoindex@pillsburylaw.com

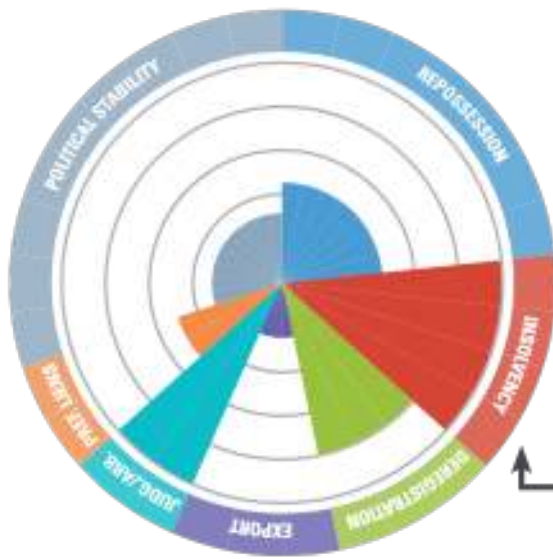
(*) Local counsel has provided additional notes for this country.

COMPLETED BY:

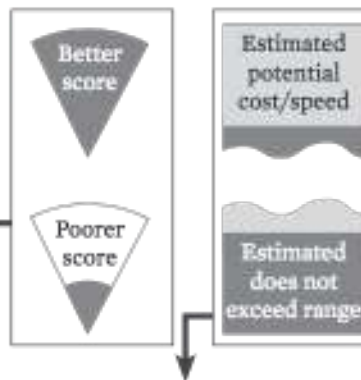
**Cascione, Pulino, Boulos
& Santos Advogados**

CASCIONE
ADVOGADOS

CONTACT: JOÃO PAULO SERVERA, Partner, jpservera@cascione.com.br



Before using the information on this page, please read the **GENERAL DISCLAIMER**.



Overall Score

54%

Category

MODERATE

Weighting		Score:
22.5%	Repossession	46%
12.5%	Insolvency	100%
10.0%	Deregistration	80%
10.0%	Export	25%
7.5%	Judgments/Arb.	100%
7.5%	Preferential Liens	50%
30.0%	Political Stability	32%

Time & Cost Indicators

N.B. Low political stability may affect reliability of these values

	Legal Cost of Repossession (\$)	Speed of Repossession (time)	Insolvency Moratorium Period (time)
	\$50,000	60 days	60 days
	\$250,000	180 days	180 days
	\$1,000,000	1 year	1 year/variable

↑ CHEAPER/FASTER

Key Facts¹

OECD high-income/zero-rated country:	<input type="checkbox"/> NO
Cape Town Contracting State:	<input checked="" type="checkbox"/> YES
Eligible for ASU Cape Town Discount:	<input checked="" type="checkbox"/> YES
Self-help (Lessor-owners):	<input type="checkbox"/> NO
Self-help (Mortgagees):	<input type="checkbox"/> NO
Moderately or well-developed insolvency laws:	<input checked="" type="checkbox"/> YES
Absence of significant taxes or similar fees payable on export:	<input checked="" type="checkbox"/> YES
Absence of fleetwide liens:	<input type="checkbox"/> NO
<i>Local court will enforce, without reexamination of case on merits...</i>	
a New York court judgment:	<input checked="" type="checkbox"/> YES
an English court judgment:	<input checked="" type="checkbox"/> YES
an arbitral award:	<input checked="" type="checkbox"/> YES

¹Additional information regarding third party data is available on page 221.

Aircraft Registration

Possible principal registrants:

Owner (if not also the operator): YES

Operator (if not also the owner): YES

Additional interests that may be noted, either on the aircraft register, some other public register, or on the certificate of registration:

Owner: YES Mortgagee: YES

Alternative Country of Registration #1:

N/A

Blended Score:

N/A

Blended Category:

N/A

Alternative Country of Registration #2:

N/A

Blended Score:

N/A

Blended Category:

N/A

More Results

For a more detailed results sheet or the full set of responses to the Jurisdictional Questionnaire, please contact:

reindex@pillsburylaw.com

Of Swords and Shields: The Role and Limits of Courts in the Enforcement of the Cape Town Convention's Substantive Repossession Remedies*

by Mark N. Lessard, Paul P. Jebely, Jeffrey Wool**

The Cape Town Convention and its Aircraft Protocol (the 'CTC') create a system whereby courts having jurisdiction over the territory where an object is located can be used as a 'sword' to obtain speedy repossession of mobile assets, but cannot be used as a 'shield' to delay or frustrate such repossession activity, especially on the basis of national law principles that are inconsistent with the CTC. Improper shielding actions can arise in particular from (1) a failure by courts to enforce the Convention's substantive remedies (including the issuance of blocking or injunctive orders contrary to the Convention) or (2) the improper application of the Convention's jurisdictional rules. This is not to say that the CTC overrides all national laws (although it does override national law on matters within its scope), or that the CTC does not contain any debtor protections (which it does; see, for example, the obligation to exercise remedies in a commercially reasonable manner as will be discussed below). Nor does this mean that a creditor should always win in any repossession case brought under the CTC. Instead, we are deploying this formulation to emphasize that the CTC creates a state responsibility (applicable through the relevant state's judiciary) to adjudicate matters consistent with CTC jurisdictional rules and to provide creditors with the substantive remedies and protections intended by the treaty text, state declarations and party agreements.

Introduction

The Cape Town Convention on International Interests in Mobile Equipment (the 'Convention') and its related Aircraft Protocol (the 'Aircraft Protocol') signed on 16 November 2001 (together, the 'CTC')¹ form an international treaty designed to promote the cross-border financing of aircraft. The CTC mitigates jurisdictional risk around the ability to immobilize, recover and redeploy aircraft speedily in a default situation, including on insolvency, with a framework that centers on the 'international interest'. Following contractual default, the CTC offers creditors² holding an international interest two key substantive repossession remedies: non-judicial

remedies (also known as 'self-help')³ and advance judicial relief pending final determination.⁴ These rights and remedies are sui generis in that they arise from the CTC and are ontologically independent of national law.

Implementation of the CTC at the executive and legislative levels has been relatively successful to date,⁵ and we are entering a period of judicial implementation of the treaty's substantive remedies, which are now being tested in national courts. This is because the CTC system, like other private commercial law treaties, does not contain an independent dispute resolution mechanism.⁶ Instead, creditors must rely on national courts for the practical realization of the CTC benefits. This can lead to an inconsistent application of the CTC's principles in different jurisdictions.

Because the treaty is not an all-encompassing commercial code, the relationship between its international substantive

* ©2018 The Author(s). Scheduled to be published in the upcoming edition of the Cape Town Convention Journal. This is an Open Access article distributed under the terms of the Creative Commons Attribution License (<http://creativecommons.org/licenses/by/4.0/>), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

** Mr. Lessard and Mr. Jebely are Executive Editors of the World Aircraft Repossession Index. Their biographies can be found on Page 7. Their collaborator Mr. Wool is secretary general of the Aviation Working Group, professor of global business law, University of Washington, and an associate faculty member, University of Oxford. He is also the executive director of the Cape Town Convention Academic Project, the general editor of the Cape Town Convention Journal, and the chair of the Advisory Board to the International Registry (Aircraft Protocol).

1 Convention on International Interests in Mobile Equipment and Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, each adopted in Cape Town, 16 November 2001.

2 For purposes of this article, 'creditor' refers to a chargee, conditional seller or lessor as the context requires.

3 These may be remedies of a chargee under Article 8(1)(a) or of a lessor or conditional seller under Article 10(a).

4 Article 13(1)(a)-(c) and Aircraft Protocol, Article X.

5 Since 2006, 84 countries and the European Union have signed the treaty and 73 countries and the European Union have ratified the treaty. The number of registered international interests has been increasing steadily every year, with over 30,000 international interests (including prospective international interests) registered annually since 2013. Because of the declaration system, not all ratifications are equal. The OECD keeps a list of countries that have made the qualifying declarations, and have implemented the CTC, thus entitling them to a discount on export credit financing.

6 Needless to say the establishment of an international commercial court would have gone far beyond the original intent of the treaty and have been highly impractical in every sense.

law provisions and otherwise applicable national law remains critical.⁷ Where a matter is not expressly addressed by the CTC, the treaty itself resorts to gap-filling through ‘general principles,’ both explicit and implicit—on which the CTC is based—before turning to domestic law.⁸ The CTC also contains jurisdictional rules, which are intended to override the private international law principles that a court seized of a matter normally would apply to determine which national courts have jurisdiction to hear CTC cases and enforce the substantive rights created by the CTC. CTC gap-filling and jurisdictional rules are essential to the core purpose of the treaty: to allow for speedy and predictable repossession of mobile assets following default.

Early cases have shown that some courts are either not sufficiently aware of the CTC and its applicability (sometimes from omissions in the pleadings submitted) or otherwise suffer from institutional bias in favor of pre-CTC national law. These instances are, in the best case, inconsistent with the core notion that the CTC takes precedence over national law⁹ and often place contracting states in violation of international law.¹⁰ In order to help elucidate and avoid the pitfalls of misapplication, this article examines ways in which courts may erroneously thwart CTC remedies by reference to national conflict rules or national substantive law. In

7 See Karl F Kreuzer, ‘Jurisdiction and Choice of Law Under the Cape Town Convention and the Protocols Thereto’ (2013) 2(1) CTCJ 149 on complementarity of CTC system with certain national substantive and procedural rules. However, this is always subject to the absence of conflict with the terms of the CTC.

8 See Article 5 of the Convention, which mandates reference to the general principles on which the CTC is based, in order to promote uniformity and predictability in the application of the CTC, as well as its international character; Roy Goode, ‘Official Commentary on the Convention on International Interests in Mobile Equipment and Protocol thereto on Matters Specific to Aircraft Equipment’ (3rd edn, UNIDROIT 2013) (the ‘Official Commentary’); Jeffrey Wool and Andrej Jonovic, ‘The Relationship Between Transnational Commercial Law Treaties and National Law – A Framework as Applied to the Cape Town Convention’ (2013) 2(1) CTCJ 65, 74-75 (articulating general principles).

9 See Wool and Jonovic (n 8) 70-80 on penumbra theory; Brian F. Havel and John Q. Mulligan, ‘The Cape Town Convention and The Risk of Renationalization: A Comment in Reply to Jeffrey Wool and Andrej Jonovic’ (2014) 3(1) CTCJ 81. Havel and Mulligan describe ‘renationalization’ as the process by which domestic institutions – including judges, administrative agencies, and regulatory bodies – erode the uniformity of transnational commercial treaties by reverting to local law when interpreting and enforcing such treaties. According to the authors, the CTC presents a particular risk of renationalization because it touches on areas of law that are typically the subject of elaborate and well-established domestic legal and regulatory regimes (eg registration, insolvency). Moreover, it does not provide for a dedicated international tribunal with authority to adjudicate disputes, but rather leaves interpretation and enforcement to local institutions that might be unfamiliar with the tenets of the CTC.

10 See Havel (n 9) on risk of renationalization, referencing Joost Pauwelyn and Manfred Elsig, ‘The Politics of Treaty Interpretation: Variations and Explanations Across International Tribunals’ in J Duno and M Pollack (eds) *International Law and International Relations: Taking Stock* (CUP 2013) 447 on the default reliance of some treaties on national judicial systems or regulatory agencies. The issue of general non-compliance with treaty terms and the consequences under public international law are beyond the scope of this article.

defining the proper role and limits of courts by reference to specific examples, we hope to contribute to better and more uniform enforcement of CTC rights. Nevertheless, much work remains in promoting uniform CTC analysis and creating precedent.

While this article focuses on CTC repossession rights, the principles herein apply more generally to court proceedings involving other substantive CTC rights, including those relating to deregistration, export or sale of aircraft equipment.

Thesis and Outline

This paper seeks to explore the proper role and limits of courts in the context of the CTC’s substantive repossession remedies. We will argue that the CTC, where supported by contracting state declarations and party intent in their contractual agreements, creates a system whereby courts having jurisdiction over the territory in which an object is located can be used as a ‘sword’ to obtain speedy possession of that object, but cannot be used as a ‘shield’ to delay that repossession activity.

While courts will be more likely to err in their application of the CTC if it has not been properly implemented under national law, the proper legislative and regulatory implementation of the CTC is beyond the scope of this paper. We instead focus on the actions that a court can take (or refuse to take) that would improperly shield a debtor from otherwise enforceable CTC remedies, effectively putting a country in violation of its international legal obligations. Such shielding actions typically arise from either (1) a failure by courts to enforce the CTC’s substantive remedies (including the issuance of blocking or injunctive orders contrary to the CTC) or (2) the improper application of the CTC’s jurisdictional rules. Examples of a failure to enforce treaty remedies might include: ignoring express treaty remedies that require time-bound and/or non-discretionary court action, or adding restrictions to these based on national law; construing the substantive elements of the treaty in an unintended narrow manner; or turning to local substantive or procedural provisions in a manner that undermines the intent of the CTC. Examples of improper application of jurisdictional rules might include: claiming jurisdiction over a dispute contrary to treaty provisions or refusing to accept jurisdiction on the basis of national conflict-of-laws rules contrary to treaty provisions.

We will first describe our proposed sword/shield theory followed by an overview of the CTC’s judicial and non-judicial repossession remedies. Next, we will examine the key jurisdictional CTC provisions applicable to these remedies, focusing on the manner in which these are intended to override certain aspects of national law and analyzing a recent case that we believe to be inconsistent with the CTC. We will then explore the role and limits of courts in the