

Aviation Law and Finance soar to new heights

The members of our multidisciplinary Aviation Law and Finance Practice Group represent aviation lenders, owners and operators, and aircraft service providers.

Our aviation finance specialists draw on the experience and resources of one of the Midwest's largest and most highly-rated banking practices to provide lenders with highly sophisticated yet practical advice in aviation finance transactions. We routinely document single-lender and syndicated transactions involving corporate and private aircraft, commercial airlines and cargo carriers, and other aviation-related businesses.

We are particularly adept at helping companies and high net worth individuals structure, document, and finance the purchase or lease of business and personal aircraft, including co-ownership and fractional interests. We continue to represent these clients through the acquisition, operation and eventual disposition of their significant aviation assets, including on FAA regulatory, tax and risk management matters. We also have years of experience advising fixed base operators and Part 135 charter operators.

SERVICES

- **Aircraft Finance**

As a premier commercial lending law firm, Bodman attorneys have broad experience representing financial institutions in aircraft finance transactions. Our services include

negotiating and documenting loans to finance the acquisition of aircraft and engines. We have particular experience with transactions involving fleet financing, fractional interests in helicopters and corporate jets, airlines, cargo carriers, medi-vac helicopter companies, and companies that buy and sell aircraft engines and engine parts. Members of our team have completed more than 200 aviation finance transactions originating in multiple U.S. states and Canada with an aggregate value of more than \$450 million. We have also represented lenders in connection with credit facilities for commercial airlines, and syndicated credit facilities secured by aircraft.

- **Aircraft Purchases and Sales, including Co-Ownership and Fractional Interests**

We assist purchasers and sellers with the documentation and negotiation of applicable agreements and documents for whole aircraft as well as co-ownership and fractional interests. We have experience negotiating purchase agreements and related documents with all of the major OEMs, including Gulfstream, Bombardier, Dassault, and Textron, as well as fractional interest providers such as NetJets, Plane Sense, and Corporate Eagle. Our transactions involve both new and pre-owned aircraft, including foreign-registered aircraft being imported into the United States for FAA registration.

- **Aircraft Ownership and Use**

When advising a client in the acquisition of an aircraft, we first seek to understand the proposed use of the aircraft (whether business or personal or, more typically, a mix of both) and structure its usage to comply with all FAA, DOT, and IRS rules and minimize the owner's federal and state tax exposure. We advise our clients on dry leases, management agreements, time share arrangements, joint ownership agreements, interchange arrangements, pilot services agreements, crew member agency agreements, and charter arrangements. We maintain relationships with various service providers, including insurers, accountants, inspectors, and a network of other professionals, and provide our clients with referrals to those professionals as needed.

- **Aircraft Tax Structuring and Tax Defense**

Our tax attorneys have significant experience in structuring aircraft ownership in a tax-efficient manner, including both direct ownership and leasing company operational structures. This planning also includes tax depreciation considerations. In addition, from a Michigan state sales and use tax perspective, our attorneys have successfully

represented many aircraft leasing companies in connection with sales and use tax election planning, in audit defense, and in litigation regarding tax use elections.

- **Fixed Base Operators, Aircraft Charter Operators, and Aircraft Management Companies**

We have decades of experience representing a major fixed base operator and other aviation service providers in all general business legal issues and in maintaining compliance with FAA, DOT, and other regulations and other legal matters unique to aviation. We also assist service providers in collecting unpaid amounts from aircraft owners, whether through the filing of aircraft liens or litigation.

- **FAA and Cape Town Compliance**

Since the Convention on International Interests in Mobile Equipment (2001) first came into force in the U.S. on March 1, 2006, our attorneys have assisted companies, lenders, and individuals with all aspects of the International Registry. Our services include assisting in the setting up of transacting user administrators, recording contracts of sale, international interests, prospective filings, assignments, and discharges of international interests.

- **Airport Operations**

Bodman attorneys have represented the operating authority of one of the nation's largest commercial "hub" airports in a variety of matters including litigation, construction, labor and employment disputes, government investigations, environmental disputes, concessionaire contracts, and airport trademark use and protection. As counsel to multiple municipal governments and related agencies, we have broad experience advising airports and other governmental clients on questions arising from the Freedom of Information Act, Open Meetings Act, and related areas.

REPRESENTATIVE MATTERS

AVIATION FINANCING, LENDER REPRESENTATION

- **Agent Bank Facilitates Syndicated Financing Facility for National Medi-Vac Helicopter Company**

We represented an agent bank in a syndicated financing facility provided to a large national medi-vac helicopter company.

- **Lender Provides Loans to Cargo Carrier Company**

We represented the lender in a transaction providing revolving, term, and draw-to-term loans to a cargo carrier company with a fleet of aircraft and base locations throughout the United States.

- **Lender Finances the Building, Purchase, and Importation of a Dassault-Falcon 2000EX into Canada**
We represented a lender in a transaction financing the build, purchase, and import into Canada of a Dassault-Falcon 2000EX.
- **Lender Provides Financing to a Major Commercial Airline**
We represented a lender in a transaction providing financing to a major commercial airline.
- **Lender Provides Financing for Acquisition of Passenger Aircraft for Conversion to Cargo Aircraft**
We represented a lender in connection with financing for the acquisition of a passenger aircraft and conversion of the aircraft to a freighter.
- **Agent Bank Coordinates Syndicated Financing for Aircraft Company**
We represented the agent bank in a syndicated financing facility for a company that buys and sells aircraft, engines, and aircraft parts.

PRIVATE AIRCRAFT OWNER REPRESENTATION

- **Ultra High-Net-Worth Individual Buys Boeing 767**
We served as aviation counsel to an ultra high-net-worth individual resident in the Miami, Florida area in connection with the purchase of one of the few VIP-configured Boeing 767 aircraft in the world. We also advised the client on special U.S. Federal Aviation Administration rules which apply to aircraft of this size and on the post-closing management and operation of the aircraft.
- **New Aircraft**
We have represented multiple individuals, family offices, and corporate flight departments in the purchase of new aircraft from Bombardier, Gulfstream, Dassault and other OEMs. We have designed creative aircraft ownership structures that minimize risk and tax liability for our clients while maintaining full compliance with Federal Aviation Administration (FAA) regulations including 14 C.F.R. Parts 91, 135, and 380.
- **Pre-Owned Aircraft Acquired Domestically and Internationally**
Bodman has also represented numerous individuals, family offices, and corporate flight departments from across the country, as buyers and sellers, in transactions involving pre-owned aircraft with individual transaction values typically ranging from \$200,000 to \$30 million. Many transactions have involved foreign registered aircraft being imported into the United States for FAA registration.

- **Fixed-Base Operator Hires Bodman Aviation Lawyer as Outside General Counsel**
A member of our Aviation Law team serves as outside general counsel to a fixed base operator handling all day-to-day legal issues involving management and agency contracts, collections, RFP response preparation, and ongoing review of the client's terms and conditions for compliance with Federal Aviation Administration (FAA) guidelines. The attorney keeps designated office hours with the client and has weekly status meetings with the senior management.
- **Fixed-Base Operators Bought and Sold**
Members of our Aviation Law Team have negotiated both the purchase and sale of FBO operations, including those with a Part 135 certificate and a Part 141 Flight school.

AIRPORT/AIRPORT AUTHORITY REPRESENTATION

- **Airport Operating Authority Startup and Recognition by FAA**
We represented an airport operating authority in connection with its founding and recognition by the Federal Aviation Administration (FAA). We drafted the authority's bylaws, procurement ordinance, and code of ethics.
- **Major Commercial Airport Wins Lawsuit Alleging Irregularities in Its Contracting Process**
We represented a major commercial airport in the successful defense of a U.S. District Court action by an unsuccessful bidder for a significant supply contract alleging irregularities in the airport's contracting process.
- **Commercial Airport Obtains Dismissal In Lawsuit Challenging its Procurement Process Related to a \$300 Million Construction Project**
We represented the same airport in a state court challenge to the procurement process in connection with the construction of a \$300 million terminal, negotiating a dismissal of the suit on favorable terms.
- **Airport Authority Sued Under Americans with Disabilities Act for Violations in Airport Terminals and Parking Facilities**
We successfully represented an airport operating authority in a federal lawsuit alleging Americans with Disabilities Act (ADA) violations in airport terminals and parking facilities.