

Latham Advises Global Jet on \$2.5B GE Capital Aircraft Transaction

Global Jet Capital, a provider of financing solutions for large-cabin, long-range private jets, has agreed to purchase the aircraft lease and loan portfolio of GE Capital Corporate Aircraft in the Americas representing approximately \$2.5 billion of net assets.

Latham & Watkins LLP advised Global Jet Capital on the transaction with a corporate team led by Washington, D.C. partners Daniel Lennon and Nicholas Luongo with associates J. Cory Tull, Rohith Parasuraman, Mariclaire Petty and Mitchell London. Advice was also provided by New York partner David Raab with associate Matthew Dewitz on tax; New York partner Steve Betensky with associate Tiana Hertel on transition services; Washington, D.C. partner David Della Rocca with associate Matthew Conway on employee benefits; Washington, D.C. partner Jeffrey Chenard and New York partners Graeme Smyth, Kevin Fingeret and Larry Safran on finance; Washington, D.C. partner Marc Williamson and Brussels partner Hector Armengod with Washington, D.C. counsel Sydney Smith on antitrust; and New York partner Alan Avery with associate Pia Naib on banking.

Shawn Vick, Executive Director of Global Jet Capital, said, "We are investing heavily in growing the business both organically and through strategic acquisitions such as this one with GE. This is a prime example of our industry expertise and investment capital coming together to evaluate and identify an opportunity to expand the business in a disciplined, carefully measured way."

He added, "This is a remarkable portfolio of corporate

aviation assets, and this investment underlines our confidence in the long-term growth prospects of the large cabin, long range private jet market. The price point of these aircraft range between \$25 and \$75 million on average, and corporate users and high net worth individuals will seek competitive financing solutions rather than allocate their own cash resources which are better invested in their own businesses.”

The release from Global Jet Capital continues:

In building the Corporate Aircraft portfolio, GE Capital has adhered to the most comprehensive underwriting and asset evaluation practices as well as industry-leading documentation and collateral securing processes.

“We are pleased to sell our Corporate Aircraft financing portfolio to Global Jet Capital, a buyer that is fully committed to investing and growing the business,” said Keith Sherin, GE Capital Chairman and CEO. “We know our customers will benefit from the combined strength and expertise of the Global Jet Capital team and will continue to receive the high level of service they have come to expect from us,” he added.

Global Jet Capital, which was launched last year, is capitalized by three global investment firms – GSO Capital Partners, a Blackstone company in partnership with Franklin Square Capital Partners; The Carlyle Group; and AE Industrial Partners.

The company’s current management team and executive committee is composed of leaders from business jet manufacturers, maintenance and service providers and leading financial institutions who have served the private aircraft industry for a combined 200-plus years and have completed over 3,500 aircraft transactions. As part of this transaction, the GE Capital Corporate Aircraft team will join the Global Jet Capital organization.

Global Jet Capital was advised by Deutsche Bank Securities

Inc., BofA Merrill Lynch and Citi together with Latham & Watkins LLP, Clifford Chance US LLP and Kirkland & Ellis LLP as legal advisors. Closing is contingent upon the completion of customary closing conditions and is expected to occur in stages over the next several months.