OUR PRACTICE

Aviation and Aerospace

Lawyers in Baker Donelson’s Aviation and Aerospace Team bring deep experience in these industries to the legal and business advice they provide to clients.

We counsel individuals and companies throughout the aviation and aerospace sector, including airlines, individual aircraft owners, charter operations, private management companies and foreign operators, as well as airframe and component manufacturers and suppliers.

Our team advises on a full range of legal and business issues affecting aviation and aerospace clients, including:

**Purchases, sales, leases.** We advise on the purchase, sale and leasing of aircraft, and the unique types of financing necessary to affect these transactions. We address pre-purchase considerations, aircraft purchase agreements, trust agreements, aircraft operating agreements, lease agreements and management services agreements. We provide counsel regarding transaction structuring and tax considerations, pre-buy inspections, due diligence and review of legal documents, letters of intent and aircraft and component purchase agreements.

**Financing.** Baker Donelson represents major national banks, leasing companies and other providers of financing to the business jet, commercial aircraft and helicopter finance market in all aspects of aircraft financing, including aircraft leases of all kinds (leveraged, synthetic, operating, sale-leaseback and leases for security), progress payment and other interim financings, spare parts and fleet financings, syndications, portfolio acquisitions, reverse and forward like-kind exchange transactions, securitization of aircraft lease receivables, and fractional share programs, time sharing, interchange, management and chartering involving aircraft. We regularly advise our clients with respect to foreign-registered and operated aircraft, complex cross-border transactions and the legal and business issues that arise. We assist in all phases of aircraft financing transactions, from proposal to closing and, if necessary, enforcement of rights and bankruptcy. Aircraft finance clients benefit from the rich resources available at Baker Donelson. We regularly involve attorneys from our tax practice to ensure that all transactions are structured to realize maximum tax benefits. When appropriate, our bankruptcy and litigation attorneys are engaged to participate in workouts, restructurings and bankruptcies, including the sale and purchase of distressed debt, workouts, restructurings and repossessions of aircraft (including litigation of claims to recharacterize a true lease as a security interest), U.S. airline bankruptcy proceedings and §363 in sales of aircraft.

**Operations and compliance.** Lawyers on our team counsel clients regarding the legal and regulatory obligations they have in owning and operating aircraft and aerospace equipment. We handle registrations, special registrations and requests for new or updated airworthiness certificates. We help clients to establish compliance programs – assuring proper documentation is created and maintained in support of operations, safety and maintenance – and we advise regarding maintenance contracts and maintenance service agreements and work orders. We represent clients in their dealings with the Federal Aviation Administration and other regulatory authorities, and we advise trust and non-trust clients regarding legal issues bearing on domestic and international operations, certifications (for Part 91, 121, 129 and 135 operators) and maintenance of the aircraft.
Mergers and acquisitions. We counsel companies seeking to acquire or sell aviation and aerospace industry companies, and have been involved in numerous transactions of varying sizes and structures over many years of practice.

Export/import regulations. When a transaction involves aircraft not registered in the United States, we handle the import or export of the aircraft as part of the transaction, as well as related compliance matters. When necessary, we lobby appropriate agencies regarding import and export transactions. Perhaps most importantly, we assist clients with USA PATRIOT Act and International Traffic in Arms Regulations (ITAR) compliance issues, as well as know-your-customer (KYC) matters.

U.S. citizenship requirements. When non-U.S. citizens are involved in an aviation or aerospace transaction, we help clients organize the ownership structure and prepare appropriate and accurate documentation to ensure U.S. citizenship requirements are met and compliant trust agreements are in place.

Corporate representation. Our attorneys represent companies in the aviation and aerospace industries with regard to general corporate counseling, corporate governance, corporate finance and securities matters.

Representative Matters

- Spearheaded international aircraft and equipment leases and the concurrent equipment securitization in more than 40 countries, including India, China, Australia, Sweden, Indonesia, Scotland and other countries in Europe, Africa, Central America and South America.
- Currently outside general counsel to several FAA Part 135 on-demand aircraft charter operators and in that role is responsible for all customer service agreements and other contractual and regulatory issues.
- Assisted clients and coordinated with local counsel regarding aviation, secured asset and tax issues for operating and financing leases, purchase and sale agreements for fixed wing aircraft and helicopters in various international locations, including England, Spain, France, Italy, Indonesia, Brazil, Malaysia, Nigeria, India, East Timor, Taiwan, Chile, Peru and the Philippines.
- Assisted numerous domestic entities in aircraft purchases, sales and leases, and regulatory compliance.
- Successfully obtained summary judgment for major U.S. airlines in failure to fairly represent case, U.S. District court, Western District of Tennessee.
- Drafted a complex master lease agreement and subordinate lease schedules to facilitate the leasing of several aircraft worth $28 million to an operator in Asia.
- Counsel foreign air carriers on the start of service to the United States and obtain all necessary regulatory authorizations from Department of Transportation (DOT), Federal Aviation Administration (FAA), Department of Homeland Security (DHS), Transportation Security Administration (TSA), Customs and Border Protection (CBP), U.S. Department of Agriculture (USDA), and any necessary state certificates and licenses.
- Represent foreign and domestic clients during regulatory enforcement actions initiated by the FAA, DOT, TSA, and CBP.