



Memorandum

To: Member of Hong Kong Aircraft Leasing and Aviation Finance Association

From: Secretary of HKALA

Date: 1 February 2018

RE: Hong Kong Aircraft Leasing and Aviation Finance Association – Classes of Members

Formation

The Association was formed as a non-profit-making company limited by guarantee under the Companies Ordinance (Cap. 622) of Hong Kong on 7 June 2017.

Vision, Mission and Objectives

The Association's vision, mission and objectives are:

- (a) to provide a forum for Members to exchange views, ideas, experience and practice, and to raise and discuss issues, in relation to aircraft leasing, aircraft finance or other matters relating to aircraft leasing or aircraft finance;
- (b) to promote, represent and safeguard the interests of Members as owners, lessors, lessees, financiers, secured parties, investors, fund providers, interested parties or providers of services in connection with aircraft leasing or aircraft finance;
- (c) to develop industry proposals for changes to regulatory or market environment;
- (d) to put forward collective views of Members, and to make representations or submissions, to government authorities or other persons on aircraft leasing, aircraft finance or other matters relating to aircraft leasing or aircraft finance;
- (e) to collect and disseminate information on business, developments and other matters concerning aircraft leasing or aircraft finance;
- (f) to promote domestic and international co-operation on matters relating to aircraft leasing or aircraft finance;
- (g) to promote Hong Kong as an aircraft leasing and finance centre;



- (h) to undertake an educational role in promoting knowledge of, or interest in, aircraft leasing, aircraft finance or other matters relating to aircraft leasing or aircraft finance;
- (i) to liaise with other associations or persons having an interest in aircraft leasing, aircraft finance or other matters relating to aircraft leasing or aircraft finance;
- (j) to be a principal resource for the aircraft leasing industry and aircraft finance industry;
- (k) to organize meetings, seminars, conferences or other events on topical issues relating to aircraft leasing, aircraft finance or other matters relating to aircraft leasing or aircraft finance;
- (l) to publish subjects of interest in relation to aircraft leasing or aircraft finance to Members or the public;
- (m) to recognize persons who make outstanding contributions to the aircraft leasing industry or the aircraft finance industry.

Activities

The Association is engaged in a board range of activities in relation to aircraft leasing or aircraft finance, including but not limited to:

- (a) formulating and submitting strategic proposals to develop Hong Kong into an aircraft leasing and finance centre;
- (b) communicating with government authorities and legislative bodies;
- (c) analyzing legislations, regulations and judicial rulings which impact the aircraft leasing industry or the aircraft finance industry;
- (d) monitoring taxation, accounting and reporting issues relevant to the aircraft leasing industry or the aircraft finance industry;
- (e) establishing a data source for the aircraft leasing industry and the aircraft finance industry;
- (f) organizing educational or networking events;
- (g) liaising with domestic or international organizations having an interest in aircraft leasing or aircraft finance.

Structure



Members of the Association (**Members**) are intended to be participants in the aircraft leasing industry, aircraft finance industry or any other industry relating to aircraft leasing or aircraft finance and will include (but not limited to):

- owners
- leasing companies
- banks
- non-bank financial institutions
- investors
- fund providers
- arrangers of aircraft leasing or financing
- asset management companies
- airlines
- law firms
- accounting firms
- tax advisors
- corporate service providers
- valuation companies
- other service providers relating to aircraft acquisition, leasing or finance.

Membership of the Association consists of the following five (5) classes:

(a) Regular Members

A Regular Member is a person who:

- (i) is, or has an associate company or joint venture or partnership which is, incorporated or formed in Hong Kong or registered as a non-Hong Kong company in Hong Kong; and
- (ii) has a place of business in Hong Kong.

Regular Members are distinguished into the following three (3) classes:

(i) Class A Regular Member

A Class A Regular Member is an owner or lessor of aircraft (but not an airline).

(ii) Class B Regular Member



A Class B Regular Member is a financier, investor, fund provider, asset management entity, arranger, securities entity, manager, agent, trustee, lessee, sublessee or operator of aircraft.

(iii) Class C Regular Member

A Class C Regular Member is a service provider (eg. lawyer, tax advisor) or product provider in the aircraft leasing or finance industry.

(b) Associate Members

An Associate Member is a person who:

- (i) is not eligible to be admitted as a Regular Member; and
- (ii) has an interest in, or a relationship with, the aircraft leasing or finance industry or supports the Association's vision, mission or objectives.

(c) Honorary Members

An Honorary Member is a person who has made contributions to the aircraft leasing or finance industry or the affairs of the Association.

Rights of different classes of Members

See Appendix A attached.

The business of the Association is managed by the Executive Committee of the Association (the **Executive Committee**).

The Executive Committee has not less than 12 Executive Committee Members who are Regular Members, provided always that at any time:

- (a) Class B Regular Members shall not exceed 25% of the Executive Committee Members; and
- (b) Class C Regular Members shall not exceed 25% of the Executive Committee Members.

Composition of Executive Committee

Number: Not less than 12

Appointment: Every 2 years

Officers: The Executive Committee Members will elect and appoint among themselves:



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- Chairman
- 1 President
- Up to 5 Vice Presidents
- 1 Treasurer
- 1 Secretary

Meeting: The Chairman or the President or any 2 Executive Committee Members may call an Executive Committee meeting.

Quorum: 4

Voting: By simple majority

Honorary Chairman and Honorary Chief Advisor

The Executive Committee may appoint any person to be an Honorary Chairman or Honorary Chief Advisor.



Appendix A

Members	Eligible to be elected to sit on Executive Committee	Eligible to attend a general meeting	Eligible to vote at a general meeting	Eligible to serve on a committee	Right to participate in activities
Class A Regular Members	√	√	√	√	√
Class B Regular Members	√ (limited to 25%)	√	√	√	√
Class C Regular Members	√ (limited to 25%)	√	√	√	√
Associate Members	X	√	X	√	√
Honorary Members	X	√	X	√	√