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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2017

Commission file number 001-33159

AerCap Holdings N.V.
(Exact name of Registrant as specified in its charter)

The Netherlands
(Jurisdiction of incorporation or organization)

AerCap House
65 St. Stephen's Green
Dublin 2
Ireland
+ 353 1 819 2010

(Address of principal executive offices)

Wouter M. den Dikken, AerCap House, 65 St. Stephen's Green, Dublin 2, Ireland
Telephone number: +353 1 819 2010, Fax number: +353 1 672 0270
(Name, Telephone, Email and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Ordinary Shares	The New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act: **None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

Indicate the number of outstanding shares of each of the issuer's classes of capital or ordinary stock as of the close of the period covered by the annual report.

Ordinary Shares, Euro 0.01 par value	152,992,101

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒	Accelerated filer ☐	Non accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

†The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☒	International Financial Reporting Standards as issued by the International Accounting Standards Board ☐	Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow: Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

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TABLE OF DEFINITIONS

ACSAL	Acsal Holdco, LLC
AeroTurbine	AeroTurbine, Inc.
AerCap, we, us or the Company	AerCap Holdings N.V. and its subsidiaries
AerCap Ireland	AerCap Ireland Limited
AerCap Trust	AerCap Global Aviation Trust
AerDragon	AerDragon Aviation Partners Limited and Subsidiaries
AerLift	AerLift Leasing Limited and Subsidiaries
AICDC	AerCap Ireland Capital Designated Activity Company (formerly registered as AerCap Ireland Capital Limited), a designated activity company with limited liability incorporated under the laws of Ireland
AIG	American International Group, Inc.
Airbus	Airbus S.A.S.
ALS II	Aircraft Lease Securitisation II Limited
AOCI	Accumulated other comprehensive income (loss)
Boeing	The Boeing Company
ECA	Export Credit Agency
ECAPS	Enhanced Capital Advantaged Preferred Securities
Embraer	Embraer S.A.
EOL	End of lease
EPS	Earnings per share
Ex-Im	Export-Import Bank of the United States
FASB	Financial Accounting Standards Board
GECC	General Electric Capital Corporation
ILFC	International Lease Finance Corporation
ILFC Transaction	The purchase by AerCap and AerCap Ireland Limited, a wholly-owned subsidiary of AerCap, of 100% of ILFC's common stock from AIG on May 14, 2014
IRS	Internal Revenue Service
Junior Subordinated Notes	$500 million of junior subordinated notes due 2045
LIBOR	London Interbank Offered Rates
MR	Maintenance reserved
Part-out	Disassembly of an aircraft for the sale of its parts
PB	Primary beneficiary
Peregrine	Peregrine Aviation Company Limited and Subsidiaries
SEC	U.S. Securities and Exchange Commission

Share Repurchase from AIG	The repurchase by AerCap of 15,698,588 of its ordinary shares from AIG for consideration equal to $750 million on June 9, 2015
SPE	Special purpose entity
U.S. GAAP	Accounting Principles Generally Accepted in the United States of America
VIE	Variable interest entity
Waha	Waha Capital PJSC

SPECIAL NOTE ABOUT FORWARD LOOKING STATEMENTS

This annual report includes "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, principally under the captions "Item 3. Key Information—Risk Factors—Risks related to our business," "Item 4. Information on the Company" and "Item 5. Operating and Financial Review and Prospects." We have based these forward looking statements largely on our current beliefs and projections about future events and financial trends affecting our business. Many important factors, in addition to those discussed in this annual report, could cause our actual results to differ substantially from those anticipated in our forward looking statements, including, among other things:

- the availability of capital to us and to our customers and changes in interest rates;
- the ability of our lessees and potential lessees to make operating lease payments to us;
- our ability to successfully negotiate aircraft purchases, sales and leases, to collect outstanding amounts due and to repossess aircraft under defaulted leases, and to control costs and expenses;
- changes in the overall demand for commercial aircraft leasing and aircraft management services;
- the effects of terrorist attacks on the aviation industry and on our operations;
- the economic condition of the global airline and cargo industry and economic and political conditions;
- development of increased government regulation, including regulation of trade and the imposition of import and export controls, tariffs and other trade barriers;
- competitive pressures within the industry;
- the negotiation of aircraft management services contracts;
- regulatory changes affecting commercial aircraft operators, aircraft maintenance, engine standards, accounting standards and taxes; and
- the risks set forth in "Item 3. Key Information—Risk Factors" included in this annual report.

The words "believe," "may," "will," "aim," "estimate," "continue," "anticipate," "intend," "expect" and similar words are intended to identify forward looking statements. Forward looking statements include information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, industry environment, potential growth opportunities, the effects of future regulation and the effects of competition. Forward looking statements speak only as of the date they were made and we undertake no obligation to update publicly or to revise any forward looking statements because of new information, future events or other factors. In light of the risks and uncertainties described above, the forward looking events and circumstances described in this annual report might not occur and are not guarantees of future performance.

PART I

Item 1. Identity of Directors, Senior Management and Advisers

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

Selected financial data

The following tables present AerCap Holdings N.V.'s selected consolidated financial data for each of the periods indicated, prepared in accordance with U.S. GAAP. This information should be read in conjunction with AerCap Holdings N.V.'s audited Consolidated Financial Statements and related notes and "Item 5. Operating and Financial Review and Prospects." The financial information presented as of December 31, 2017 and 2016 and for the years ended December 31, 2017, 2016 and 2015 was derived from AerCap Holdings N.V.'s audited Consolidated Financial Statements included in this annual report. The financial information presented as of December 31, 2015, 2014 and 2013 and for the years ended December 31, 2014 and 2013 was derived from AerCap Holdings N.V's. audited Consolidated Financial Statements not included in this annual report.

Consolidated Balance Sheet Data

	As of December 31,				
	2017	2016	2015	2014	2013
	(U.S. Dollars in thousands)				
Assets					
Cash and cash equivalents	$ 1,659,669	$ 2,035,447	$ 2,403,098	$ 1,490,369	$ 295,514
Restricted cash	364,456	329,180	419,447	717,388	272,787
Flight equipment held for operating leases, net	32,396,827	31,501,973	32,219,494	31,984,668	8,085,947
Maintenance rights intangible and lease premium, net	1,501,858	2,167,925	3,139,045	3,906,026	9,354
Prepayments on flight equipment	2,930,303	3,265,979	3,300,426	3,486,514	223,815
Other assets	3,187,031	2,319,949	2,267,989	2,134,928	451,825
Total Assets	**$ 42,040,144**	**$ 41,620,453**	**$ 43,749,499**	**$ 43,719,893**	**$ 9,339,242**
Liabilities and Equity					
Debt	28,420,739	27,716,999	29,641,863	30,254,905	6,124,993
Other liabilities	4,980,591	5,321,190	5,681,827	5,522,440	785,017
Total Liabilities	33,401,330	33,038,189	35,323,690	35,777,345	6,910,010
Total AerCap Holdings N.V. shareholders' equity	8,579,710	8,524,447	8,348,963	7,863,777	2,425,372
Non-controlling interest	59,104	57,817	76,846	78,771	3,860
Total Equity	8,638,814	8,582,264	8,425,809	7,942,548	2,429,232
Total Liabilities and Equity	**$ 42,040,144**	**$ 41,620,453**	**$ 43,749,499**	**$ 43,719,893**	**$ 9,339,242**

Consolidated Income Statement Data

	Year Ended December 31,				
	2017	2016	2015	2014	2013
	(U.S. Dollars in thousands, except share and per share data)				
Revenues and other income					
Lease revenue	$ 4,713,802	$ 4,867,623	$ 4,991,551	$ 3,449,571	$ 976,147
Net gain on sale of assets	229,093	138,522	183,328	37,497	41,873
Other income	94,598	145,986	112,676	104,491	32,046
Total Revenues and other income	**5,037,493**	**5,152,131**	**5,287,555**	**3,591,559**	**1,050,066**
Expenses					
Depreciation and amortization	1,727,296	1,791,336	1,843,003	1,282,228	337,730
Asset impairment	61,286	81,607	16,335	21,828	26,155
Interest expense	1,112,391	1,091,861	1,099,884	780,349	226,329
Other operating expenses	537,752	582,530	522,413	141,572	49,023
Transaction, integration and restructuring related expenses	14,605	53,389	58,913	148,792	10,959
Selling, general and administrative expenses	348,291	351,012	381,308	299,892	89,079
Total Expenses	**3,801,621**	**3,951,735**	**3,921,856**	**2,674,661**	**739,275**
Income before income taxes and income of investments accounted for under the equity method	**1,235,872**	**1,200,396**	**1,365,699**	**916,898**	**310,791**
Provision for income taxes	(164,718)	(173,496)	(189,805)	(137,373)	(26,026)
Equity in net earnings of investments accounted for under the equity method	9,199	12,616	1,278	28,973	10,637
Net income	**$ 1,080,353**	**$ 1,039,516**	**$ 1,177,172**	**$ 808,498**	**$ 295,402**
Net (income) loss attributable to non-controlling interest	(4,202)	7,114	1,558	1,949	(2,992)
Net income attributable to AerCap Holdings N.V.	**$ 1,076,151**	**$ 1,046,630**	**$ 1,178,730**	**$ 810,447**	**$ 292,410**
Basic earnings per share	$ 6.68	$ 5.64	$ 5.78	$ 4.61	$ 2.58
Diluted earnings per share	$ 6.43	$ 5.52	$ 5.72	$ 4.54	$ 2.54

RISK FACTORS

Risks related to our business

We require significant capital to fund our business.

As of December 31, 2017, we had 438 new aircraft on order, which will require substantial aircraft purchase contract payments. In order to meet these commitments and to maintain an adequate level of unrestricted cash, we will need to raise additional funds by accessing committed debt facilities, securing additional financing from banks or through capital markets transactions, or possibly by selling aircraft. Our typical sources of funding may not be sufficient to meet our liquidity needs, in which case we may be required to raise capital from new sources, including by issuing new types of debt, equity or hybrid securities.The issuance of additional equity may be dilutive to existing shareholders or otherwise may be on terms not favorable to us or existing shareholders.

If we are unable to meet our aircraft purchase commitments as they come due, we will be subject to several risks, including:

- forfeiting deposits and progress payments to manufacturers and having to pay certain significant costs related to these commitments such as actual damages and legal, accounting and financial advisory expenses;
- defaulting on our lease commitments, which could result in monetary damages and strained relationships with lessees;
- failing to realize the benefits of purchasing and leasing such aircraft; and
- risking harm to our business reputation, which would make it more difficult to purchase and lease aircraft in the future on agreeable terms, if at all.

Any of these events could materially and adversely affect our financial results.

To service our debt and meet our other cash needs, we will require a significant amount of cash, which may not be available.

Our ability to make payments on, or repay or refinance, our debt, will depend largely upon our future operating performance. Our future performance, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. In addition, our ability to borrow funds in the future to make payments on our debt will depend on our maintaining specified financial ratios and satisfying financial condition tests and other covenants in the agreements governing our debt. Our business may not generate sufficient cash flow from operations and future borrowings may not be available in amounts sufficient to pay our debt and to satisfy our other liquidity needs.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to seek alternatives, such as to reduce or delay investments and aircraft purchases, or to sell assets, seek additional capital or restructure or refinance our indebtedness. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and might require us to comply with more onerous covenants, which could further restrict our business operations. The terms of our debt instruments may restrict us from adopting some of these alternatives. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations or to meet our aircraft purchase commitments as they come due.

Despite our substantial indebtedness, we might incur significantly more debt.

Despite our current indebtedness levels, we expect to incur additional debt in the future to finance our operations, including purchasing aircraft and meeting our contractual obligations. The agreements relating to our debt, including our indentures, term loan facilities, ECA guaranteed financings, revolving credit facilities, securitizations, and other financings do not prohibit us from incurring additional debt. As of December 31, 2017, we had approximately $6.7 billion of undrawn lines of credit available under our credit and term loan facilities, subject to certain conditions, including compliance with certain financial covenants. If we increase our total indebtedness, our debt service obligations will increase, and we will become more exposed to the risks arising from our substantial level of indebtedness.

Our level of indebtedness, which requires significant debt service payments, could adversely impact our operating flexibility and financial results.

The principal amount of our outstanding indebtedness, which excludes fair value adjustments of $0.3 billion and debt issuance costs and debt discounts of $0.2 billion, was approximately $28.3 billion as of December 31, 2017 (approximately 67% of our total assets as of December 31, 2017), and our interest payments were $1.2 billion for the year ended December 31, 2017. Due to the capital-intensive nature of our business, we expect that we will incur additional indebtedness in the future and continue to maintain significant levels of indebtedness.

Our level of indebtedness:

- requires a substantial portion of our cash flows from operations to be dedicated to interest and principal payments and therefore not available to fund our operations, working capital, capital expenditures, expansion, acquisitions or general corporate or other purposes;
- restricts the ability of some of our subsidiaries and joint ventures to make distributions to us;
- may impair our ability to obtain additional financing on favorable terms or at all in the future;
- may limit our flexibility in planning for, or reacting to, changes in our business and industry; and
- may make us more vulnerable to downturns in our business, our industry or the economy in general.

An increase in our cost of borrowing or changes in interest rates may adversely affect our net income.

We use a mix of fixed rate and floating rate debt to finance our business. Any increase in our cost of borrowing directly impacts our net income. Our cost of borrowing is affected primarily by the market's assessment of our credit risk and fluctuations in interest rates and general market conditions. Interest rates that we obtain on our debt financings can fluctuate based on, among other things, changes in views of our credit risk, fluctuations in U.S. Treasury rates and LIBOR rates, as applicable, changes in credit spreads and swap spreads, and the duration of the debt being issued. Increased interest rates prevailing in the market at the time of our incurrence of new debt will also increase our interest expense. If interest rates increase, we will be obligated to make higher interest payments to the lenders of our floating rate debt to the extent that it is not hedged. Please refer to "Item 11—Quantitative and Qualitative Disclosures About Market Risk—Interest rate risk" for further details on our interest rate risk. In addition, we are exposed to the credit risk that the counterparties to our derivative contracts will default on their obligations.

Moreover, if interest rates were to rise sharply, we would not be able to fully offset immediately the negative impact on our net income by increasing lease rates, even if the market were able to bear the increased lease rates. Our leases are generally for multiple years with fixed lease rates over the life of the lease and, therefore, lags will exist because our lease rates with respect to a particular aircraft cannot generally be increased until the expiration of the lease.

Decreases in interest rates may also adversely affect our interest revenue on cash deposits as well as lease revenue generated from leases with lease rates tied to floating interest rates. During the year ended December 31, 2017, approximately 4.9% of our basic lease rents from aircraft under operating leases was derived from such leases. Therefore, if interest rates were to decrease, our lease revenue would decrease. In addition, since our fixed rate leases are based, in part, on prevailing interest rates at the time we enter into the lease, if interest rates decrease, new fixed rate leases we enter into may be at lower lease rates than if no interest rate decrease had occurred and our lease revenue will be adversely affected.

Negative changes in our credit ratings may limit our ability to obtain financing or increase our borrowing costs, which could adversely impact our financial results.

We are currently subject to periodic review by independent credit rating agencies S&P, Moody's and Fitch, each of which currently maintains an investment grade rating with respect to us. Our ability to obtain secured or unsecured debt financing and our cost of secured or unsecured debt financing is dependent, in part, on our credit ratings. Maintaining our credit ratings depends in part on strong financial results and in part on other factors, including the outlook of the rating agencies on our sector and on the market generally. A credit rating downgrade could negatively impact our ability to obtain secured or unsecured financing and increase our borrowing costs.

We cannot assure you that these credit ratings will remain in effect for any given period of time or that a rating will not be lowered, suspended or withdrawn. Ratings are not a recommendation to buy, sell or hold any security, and each agency's rating should be evaluated independently of any other agency's rating. Actual or anticipated changes or downgrades in our credit ratings, including any announcement that our ratings are under review for a downgrade, could increase our corporate borrowing costs and limit our access to the capital markets, which could adversely impact our financial results.

The agreements governing our debt contain various covenants that impose restrictions on us that may affect our ability to operate our business.

Certain of our indentures, term loan facilities, ECA guaranteed financings, revolving credit facilities, securitizations, other commercial bank financings, and other agreements governing our debt impose operating and financial restrictions on our activities that limit or prohibit our ability to, among other things:

- incur additional indebtedness;
- create liens on assets;
- sell certain assets;
- make certain investments, loans, guarantees or advances;
- declare or pay certain dividends and distributions;
- make certain acquisitions;
- consolidate, merge, sell or otherwise dispose of all or substantially all of our assets;
- enter into transactions with our affiliates;
- change the business conducted by the borrowers and their respective subsidiaries;
- enter into a securitization transaction unless certain conditions are met; and
- access cash in restricted bank accounts.

The agreements governing certain of our indebtedness also contain financial covenants, including requirements that we comply with certain loan-to-value, interest coverage and leverage ratios. These restrictions could impede our ability to operate our business by, among other things, limiting our ability to take advantage of financing, merger and acquisition and other corporate opportunities.

Various risks, uncertainties and events beyond our control could affect our ability to comply with these covenants and maintain these financial tests and ratios. Failure to comply with any of the covenants in our financing agreements would result in a default under those agreements and could result in a default under other agreements containing cross default provisions. Under these circumstances, we may have insufficient funds or other resources to satisfy all our obligations.

We may be unable to generate sufficient returns on our aircraft investments.

Our results depend on our ability to consistently acquire strategically attractive aircraft, continually and profitably lease and re-lease them, and finally sell or otherwise dispose of them, in order to generate returns on the investments we have made, provide cash to finance our growth and operations, and service our existing debt. Upon acquiring new aircraft we may not be able to enter into leases that generate sufficient cash flow to justify the cost of purchase. When our leases expire or our aircraft are returned prior to the date contemplated in the lease, we bear the risk of re-leasing, selling or parting-out the aircraft. Because our leases are predominantly operating leases, only a portion of an aircraft's value is recovered by the revenues generated from the lease and we may not be able to realize the aircraft's residual value after lease expiration.

Our ability to profitably purchase, lease, re-lease, sell or otherwise dispose of our aircraft will depend on conditions in the airline industry and general market and competitive conditions at the time of purchase, lease, and disposition. In addition to factors linked to the aviation industry in general, other factors that may affect our ability to generate adequate returns from our aircraft include the maintenance and operating history of the airframe and engines, the number of operators using the particular type of aircraft, and aircraft age.

Customer demand for certain types of our aircraft may decline.

Aircraft are long-lived assets and demand for a particular model and type of aircraft can change over time. Demand may decline for a variety of reasons, including obsolescence following the introduction of newer technologies, market saturation due to increased production rates, technical problems associated with a particular model, new manufacturers entering the marketplace or existing manufacturers entering new market segments, additional governmental regulation such as environmental rules or aircraft age limitations, or the overall health of the airline industry.

The supply and demand for aircraft is affected by various factors that are outside of our control, including:

- passenger and air cargo demand;
- fuel costs, inflation and general economic conditions;
- geopolitical events, including war, prolonged armed conflict and acts of terrorism;
- epidemics and natural disasters;
- governmental regulation, including regulation of trade, such as the imposition of import and export controls, tariffs and other trade barriers;
- interest rates;
- the availability and cost of financing;
- airline restructurings and bankruptcies;
- manufacturer production levels and technological innovation;
- manufacturers merging, entering or exiting the industry;
- retirement and obsolescence of aircraft models;
- increases in production rates from manufacturers;
- reintroduction into service of aircraft previously in storage; and
- airport and air traffic control infrastructure constraints.

Over recent years, the airline industry has committed to a significant number of aircraft deliveries through order placements with manufacturers, and in response, aircraft manufacturers have raised their production output. The increase in these production levels could result in an oversupply of relatively new aircraft if growth in airline traffic does not meet airline industry expectations.

In addition, recent and future political developments, including developments as a result of the policies of the current U.S. presidential administration or policies pursued in Europe, could result in increased regulation of trade, which could adversely impact demand for aircraft.

As demand for particular aircraft declines as a result of any of these factors, lease rates for that type of aircraft are likely to correspondingly decline, the residual values of that type of aircraft could be negatively impacted, and we may be unable to lease such aircraft on favorable terms, if at all. In addition, the risks associated with a decline in demand for a particular aircraft model or type increase if we acquire a high concentration of such aircraft. For example, as of December 31, 2017, we had 438 new aircraft on order, including 222 Airbus A320neo Family aircraft, 104 Boeing 737MAX aircraft, 53 Boeing 787 aircraft, 50 Embraer E-Jets E2 aircraft, and nine Airbus A350 aircraft. If demand declines for a model or type of aircraft of which we own or will acquire a relatively high concentration, it could materially and adversely affect our financial results.

The value and lease rates of our aircraft could decline.

Aircraft values and lease rates have occasionally experienced sharp decreases due to a number of factors, including, but not limited to, decreases in passenger air travel and air cargo demand, changes in fuel costs, inflation, government regulation and changes in interest rates. In addition to factors linked to the aviation industry generally, many other factors may affect the value and lease rates of our aircraft, including:

- the particular maintenance, operating history and documentary records of the aircraft;
- the geographical area where the aircraft is based and operates;
- the number of operators using a particular type of aircraft;
- the regulatory authority under which the aircraft is operated;
- whether the aircraft is subject to a lease and, if so, whether the lease terms are favorable to the lessor;
- the age of the aircraft;
- any renegotiation of a lease on less favorable terms;
- the negotiability of clear title free from mechanic's liens and encumbrances;
- any regulatory and legal requirements that must be satisfied before the aircraft can be purchased, sold or re-leased;
- decrease in the creditworthiness of lessees;
- compatibility of aircraft configurations or specifications with other aircraft owned by operators of that type;
- comparative value based on newly manufactured competitive aircraft; and
- the availability of spare parts.

Any decrease in the value or lease rates of our aircraft that results from the above factors or other factors may have a material adverse effect on our financial results.

Strong competition from other aircraft lessors could adversely affect our financial results.

The aircraft leasing industry is highly competitive. Our competition is primarily comprised of major aircraft leasing companies, but we may also encounter competition from other entities such as:

- airlines;
- aircraft manufacturers;
- financial institutions, including those seeking to dispose of repossessed aircraft at distressed prices;
- aircraft brokers;
- public and private partnerships, investors and funds with excess capital to invest in aircraft and engines; and
- emerging aircraft leasing companies that we do not currently consider our major competitors.

Some of these competitors may have greater operating and financial resources than we do. We may not always be able to compete successfully with such competitors and other entities, which could materially and adversely affect our financial results.

Our financial condition is dependent, in part, on the financial strength of our lessees.

Our financial condition depends on the ability of lessees to perform their payment and other obligations to us under our leases. We generate the primary portion of our revenue from leases to the aviation industry, and as a result we are indirectly affected by all the risks facing airlines today. The ability of our lessees to perform their obligations depends primarily on their financial condition and cash flows, which may be affected by factors outside our control, including:

- passenger air travel and air cargo demand;
- competition;
- economic conditions, inflation and currency fluctuations in the countries and regions in which a lessee operates;
- price and availability of jet fuel;
- availability and cost of financing;
- fare levels;
- geopolitical and other events, including war, acts of terrorism, outbreaks of epidemic diseases and natural disasters;
- increases in operating costs, including labor costs and other general economic conditions affecting our lessees' operations;
- labor difficulties;
- the availability of financial or other governmental support extended to a lessee; and
- governmental regulation and associated fees affecting the air transportation business, including restrictions on carbon emissions and other environmental regulations, and fly-over restrictions imposed by route authorities.

Generally, airlines with high financial leverage are more likely than airlines with stronger balance sheets to be affected, and affected more quickly, by the factors listed above. Such airlines are also more likely to seek operating leases.

Any downturns in the aviation industry could greatly exacerbate the weakened financial condition and liquidity problems of some of our lessees and further increase the risk that they will delay, reduce or fail to make rental payments when due. At any point in time, our lessees may be significantly in arrears. Some lessees encountering financial difficulties may seek a reduction in their lease rates or other concessions, such as a decrease in their contribution toward maintenance obligations. Moreover, we may not correctly assess the credit risk of each lessee or charge lease rates that incorrectly reflect related risks. Many of our lessees are not rated investment grade by the principal U.S. rating agencies and may be more likely to suffer liquidity problems than those that are so rated.

If lessees of a significant number of our aircraft fail to perform their obligations to us, our financial results and cash flows will be materially and adversely affected.

A return to historically high fuel prices or continued volatility in fuel prices could affect the profitability of the aviation industry and our lessees' ability to meet their lease payment obligations to us.

Historically, fuel prices have fluctuated widely depending primarily on international market conditions, geopolitical and environmental events and currency exchange rates. Factors such as natural disasters can also significantly affect fuel availability and prices. The cost of fuel represents a major expense to airlines that is not within their control, and significant increases in fuel costs or hedges that inaccurately assess the direction of fuel costs can materially and adversely affect their operating results. Due to the competitive nature of the aviation industry, operators may be unable to pass on increases in fuel prices to their customers by increasing fares in a manner that fully offsets the increased fuel costs they may incur. In addition, they may not be able to manage this risk by appropriately hedging their exposure to fuel price fluctuations. The profitability and liquidity of those airlines that do hedge their fuel costs can also be adversely affected by swift movements in fuel prices, if such airlines are required as a result to post cash collateral under hedge agreements. Therefore, if for any reason fuel prices return to historically high levels or show significant volatility, our lessees are likely to incur higher costs or generate lower revenues, which may affect their ability to meet their obligations to us.

Interruptions in the capital markets could impair our lessees' ability to finance their operations, which could prevent the lessees from complying with payment obligations to us.

The global financial markets can be highly volatile and the availability of credit from financial markets and financial institutions can vary substantially depending on developments in the global financial markets. Many of our lessees have expanded their airline operations through borrowings and are leveraged. These lessees will depend on banks and the capital markets to provide working capital and to refinance existing indebtedness. To the extent such funding is unavailable, or available only at high interest costs or on unfavorable terms, and to the extent financial markets do not provide equity financing as an alternative, our lessees' operations and operating results may be materially and adversely affected and they may not comply with their respective payment obligations to us.

A sovereign debt crisis could result in higher borrowing costs and more limited availability of credit, as well as impact the overall airline industry and the financial health of our lessees.

In recent years, the European Union (the "EU") has faced both financial and political turmoil which, if it continues or worsens, could have a material adverse effect on our business. For example, following the global financial crisis of 2008, several countries in Europe faced a sovereign debt crisis (commonly referred to as the "European Debt Crisis") that negatively affected economic activity in that region and adversely affected the strength of the euro versus the U.S. dollar and other currencies. Although some of these countries are no longer facing a serious debt crisis, the lingering effects of the European Debt Crisis are unclear and may have a material adverse effect on our business, particularly if any European countries face sovereign debt default. Furthermore, concerns exist regarding the sovereign debt of certain Latin American countries, including Venezuela. If Venezuela or any other country faces a sovereign debt crisis, it could adversely affect the global banking system, due to its exposure to the sovereign debt and the imposition of stricter capital requirements. A sovereign debt crisis may also lower consumer confidence, which could adversely affect global economic conditions, and adverse changes in the global banking system or global economy may have a material adverse effect on our business.

Adverse conditions and disruptions in European economies could have a material adverse effect on our business.

Our business can be affected by a number of factors that are beyond our control, such as general geopolitical, economic and business conditions. Political uncertainty has created financial and economic uncertainty, including as a result of the United Kingdom's June 2016 referendum to withdraw from the EU (commonly referred to as "Brexit"). The economic consequences of Brexit, including the possible repeal of open-skies agreements, could have a material adverse effect on our business. Further, many of the structural issues facing the EU following the European Debt Crisis and Brexit remain, and problems could resurface that could affect financial market conditions, and, possibly, our business, results of operations, financial condition and liquidity, particularly if they lead to the exit of one or more countries from the European Monetary Union (the "EMU") or the exit of additional countries from the EU. If one or more countries exits the EMU, there would be significant uncertainty with respect to outstanding obligations of counterparties and debtors in any exiting country, whether sovereign or otherwise, and it would likely lead to complex and lengthy disputes and litigation. Additionally, it is possible that political events in Europe could lead to the complete dissolution of the EMU or EU. The partial or full breakup of the EMU or EU would be unprecedented and its impact highly uncertain, including with respect to our business.

If the effects of terrorist attacks, war or armed hostilities adversely affect the financial condition of the airline industry, our lessees might not be able to meet their lease payment obligations to us.

Terrorist attacks, war or armed hostilities, or the fear of such events, have historically had a negative impact on the aviation industry and could result in:

- higher costs to the airlines due to the increased security measures;
- decreased passenger demand and revenue due to the inconvenience of additional security measures or concerns about the safety of flying;
- the imposition of "no-fly zone" or other restrictions on commercial airline traffic in certain regions;
- uncertainty of the price and availability of jet fuel and the cost and practicability of obtaining fuel hedges;
- higher financing costs and difficulty in raising the desired amount of proceeds on favorable terms, if at all;
- significantly higher costs of aviation insurance coverage for future claims caused by acts of war, terrorism, sabotage, hijacking and other similar perils, or the unavailability of certain types of insurance;
- inability of airlines to reduce their operating costs and conserve financial resources, taking into account the increased costs incurred as a consequence of such events;
- special charges recognized by some operators, such as those related to the impairment of aircraft and engines and other long-lived assets stemming from the grounding of aircraft as a result of terrorist attacks, economic conditions and airline reorganizations; and
- an airline becoming insolvent and/or ceasing operations.

For example, as a result of the September 11, 2001 terrorist attacks in the United States and subsequent terrorist attacks abroad, notably in the Middle East, Southeast Asia and Europe, increased security restrictions were implemented on air travel, costs for aircraft insurance and security measures increased, passenger and cargo demand for air travel decreased, and operators faced difficulties in acquiring war risk and other insurance at reasonable costs. Sanctions against Russia, uncertainty regarding tensions between Ukraine and Russia, the situation in Iraq and Syria, the Israeli/Palestinian conflict, tension over the nuclear program of North Korea, political instability in the Middle East and North Africa, the territorial disputes between Japan and China and the recent tensions in the South China Sea could lead to further instability in these regions.

Terrorist attacks, war or armed hostilities, or the fear of such events, in these or any other regions, could adversely affect the aviation industry and the financial condition and liquidity of our lessees, as well as aircraft values and rental rates. In addition, such events might cause certain aviation insurance to become available only at significantly increased premiums or with reduced amounts of coverage that are insufficient to comply with the current requirements of aircraft lenders and lessors or with applicable government regulations, or not to be available at all. Although some governments provide for limited coverage under government programs for specified types of aviation insurance, these programs may not be available at the relevant time or governments may not pay under these programs in a timely fashion.

Such events are likely to cause our lessees to incur higher costs and to generate lower revenues, which could result in a material adverse effect on their financial condition and liquidity, including their ability to make rental and other lease payments to us or to obtain the types and amounts of insurance we require. This in turn could lead to aircraft groundings or additional lease restructurings and repossessions, increase our cost of re-leasing or selling aircraft, impair our ability to re-lease or otherwise dispose of aircraft on favorable terms or at all, or reduce the proceeds we receive for our aircraft in a disposition.

The effects of epidemic diseases and natural disasters, such as extreme weather conditions, floods, earthquakes and volcano eruptions, may adversely affect our lessees' ability to meet their lease payment obligations to us.

The outbreak of epidemic diseases, such as previously experienced with Ebola, measles, Severe Acute Respiratory Syndrome (SARS), H1N1 (swine flu) and Zika virus, could materially and adversely affect passenger demand for air travel. Similarly, the lack of air travel demand or the inability of airlines to operate to or from certain regions due to severe weather conditions and natural disasters, including floods, earthquakes and volcano eruptions, could impact the financial health of certain airlines, including our lessees. These consequences could result in our lessees' inability to satisfy their lease payment obligations to us, which in turn would materially and adversely affect our financial results.

Airline reorganizations could impair our lessees' ability to comply with their lease payment obligations to us.

In recent years, several airlines have filed for protection under their local bankruptcy and insolvency laws and, over the past several years, certain airlines have gone into liquidation. Historically, airlines involved in reorganizations have undertaken substantial fare discounting to maintain cash flows and to encourage continued customer loyalty. The bankruptcies have led to the grounding of significant numbers of aircraft, rejection of leases and negotiated reductions in aircraft lease rentals, with the effect of depressing aircraft market values. Additional reorganizations or liquidations by airlines under applicable bankruptcy or reorganization laws or further rejection or abandonment of aircraft by airlines in bankruptcy proceedings may depress aircraft values and aircraft lease rates. Additional grounded aircraft and lower market values would adversely affect our ability to sell certain of our aircraft or re-lease other aircraft at favorable rates if at all.

Our lessees may fail to properly maintain our aircraft.

We may be exposed to increased maintenance costs for our leased aircraft if lessees fail to properly maintain the aircraft or pay supplemental maintenance rents. Under our leases, our lessees are primarily responsible for maintaining our aircraft and complying with all governmental requirements applicable to the lessee and the aircraft, including operational, maintenance, government agency oversight, registration requirements and airworthiness directives. We also require many of our lessees to pay us supplemental maintenance rents. If a lessee fails to perform required maintenance on our aircraft during the term of the lease, the aircraft's market value may decline, which would result in lower revenues from its subsequent lease or sale, or the aircraft might be grounded. Maintenance failures by a lessee would also likely require us to incur maintenance and modification costs, which could be substantial, upon the termination of the applicable lease to restore the aircraft to an acceptable condition prior to sale or re-leasing. Supplemental maintenance rents paid by our lessees may not be sufficient to fund such maintenance costs. If our lessees fail to meet their obligations to pay supplemental maintenance rents or fail to perform required scheduled maintenance, or if we are required to incur unexpected maintenance costs, our financial results may be materially and adversely affected.

Our lessees may fail to adequately insure our aircraft.

While an aircraft is on lease, we do not directly control its operation. Nevertheless, because we hold title to the aircraft, we could be held liable for losses resulting from its operation under one or more legal theories in certain jurisdictions around the world, or at a minimum, we might be required to expend resources in our defense. We require our lessees to obtain specified levels of insurance and indemnify us for, and insure against, such operational liabilities. However, some lessees may fail to maintain adequate insurance coverage during a lease term, which, although constituting a breach of the lease, would require us to take some corrective action, such as terminating the lease or securing insurance for the aircraft.

In addition, there are certain risks of losses our lessees face that insurers may be unwilling to cover or for which the cost of coverage would be prohibitively expensive. For example, following the terrorist attacks of September 11, 2001, aviation insurers significantly reduced the amount of coverage available to airlines for liability to persons other than airline employees or passengers for claims resulting from acts of terrorism, war or similar events and significantly increased the premiums for third party war risk and terrorism liability insurance and coverage in general. Therefore, our lessees' insurance coverage may not be sufficient to cover all claims that could be asserted against us arising from the operation of our aircraft.

Inadequate insurance coverage or default by lessees in fulfilling their indemnification or insurance obligations to us will reduce the insurance proceeds that would be received by us in the event we are sued and are required to make payments to claimants. Moreover, our lessees' insurance coverage is dependent on the financial condition of insurance companies, which might not be able to pay claims. A reduction in insurance proceeds otherwise payable to us as a result of any of these factors could materially and adversely affect our financial results.

If our lessees fail to cooperate in returning our aircraft following lease terminations, we may encounter obstacles and are likely to incur significant costs and expenses conducting repossessions.

Our legal rights and the relative difficulty of repossession vary significantly depending on the jurisdiction in which an aircraft is located and the applicable law. We may need to obtain a court order or consents for de-registration or re-export, a process that can differ substantially in different countries. Where a lessee or other operator flies only domestic routes in the jurisdiction in which the aircraft is registered, repossessing and exporting the aircraft may be challenging, especially if the jurisdiction permits the lessee or the other operator to resist de-registration. When a defaulting lessee is in bankruptcy, protective administration, insolvency or similar proceedings, additional limitations may apply. For example, certain jurisdictions give rights to the trustee in bankruptcy or a similar officer to assume or reject the lease or to assign it to a third party, or entitle the lessee or another third party to retain possession of the aircraft without paying lease rentals or performing all or some of the obligations under the relevant lease. Certain of our lessees are partially or wholly owned by government-related entities, which can complicate our efforts to repossess our aircraft in that government's jurisdiction. If we encounter any of these difficulties, we may be delayed in, or prevented from, enforcing certain of our rights under a lease and in re-leasing the affected aircraft.

When conducting a repossession, we are likely to incur significant costs and expenses that are unlikely to be recouped. These include legal and other expenses of court or other governmental proceedings, including the cost of posting security bonds or letters of credit necessary to effect repossession of the aircraft, particularly if the lessee is contesting the proceedings or is in bankruptcy. We must absorb the cost of lost revenue for the time the aircraft is off-lease. We may incur substantial maintenance, refurbishment or repair costs that a defaulting lessee has failed to pay and are necessary to put the aircraft in suitable condition for re-lease or sale. We may incur significant costs in retrieving or recreating aircraft records required for registration of the aircraft, and in obtaining the certificate of airworthiness for an aircraft. It may be necessary to pay to discharge liens or pay taxes and other governmental charges on the aircraft to obtain clear possession and to remarket the aircraft effectively, including, in some cases, liens that the lessee may have incurred in connection with the operation of its other aircraft. We may also incur other costs in connection with the physical possession of the aircraft.

Based on historical rates of airline defaults and bankruptcies, at least some of our lessees are likely to default on their lease obligations or file for bankruptcy in the ordinary course of our business. If we incur significant costs in repossessing our aircraft, our financial results may be materially and adversely affected.

If our lessees fail to discharge aircraft liens for which they are responsible, we may be obligated to pay to discharge the liens.

In the normal course of their business, our lessees are likely to incur aircraft and engine liens that secure the payment of airport fees and taxes, custom duties, Eurocontrol and other air navigation charges, landing charges, crew wages, and other liens that may attach to our aircraft. Aircraft may also be subject to mechanic's liens as a result of routine maintenance performed by third parties on behalf of our customers. Some of these liens can secure substantial sums, and if they attach to entire fleets of aircraft, as permitted in certain jurisdictions for certain kinds of liens, they may exceed the value of the aircraft itself. Although the financial obligations relating to these liens are the contractual responsibility of our lessees, if they fail to fulfill their obligations, the liens may ultimately become our financial responsibility. Until they are discharged, these liens could impair our ability to repossess, re-lease or sell our aircraft or engines. In some jurisdictions, aircraft and engine liens may give the holder thereof the right to detain or, in limited cases, sell or cause the forfeiture of the aircraft. If we are obliged to pay a large amount to discharge a lien, or if we are unable take possession of our aircraft subject to a lien in a timely and cost-effective manner, it could materially and adversely affect our financial results.

In certain countries, an engine affixed to an aircraft may become an accession to the aircraft and we may not be able to exercise our ownership rights over the engine.

In some jurisdictions, an engine affixed to an aircraft may become an accession to the aircraft, whereby the ownership rights of the owner of the aircraft supersede the ownership rights of the owner of the engine. If an aircraft is security for the owner's obligations to a third party, the security interest in the aircraft may supersede our rights as owner of the engine. This legal principle could limit our ability to repossess an engine in the event of a lease default while the aircraft with our engine installed remains in such jurisdiction. We would suffer a substantial loss if we were not able to repossess engines leased to lessees in these jurisdictions, which would materially and adversely affect our financial results.

If our lessees encounter financial difficulties and we restructure or terminate our leases, we are likely to obtain less favorable lease terms.

If a lessee delays, reduces, or fails to make rental payments when due, or has advised us that it will do so in the future, we may elect or be required to restructure or terminate the lease. A restructured lease will likely contain terms that are less favorable to us. If we are unable to agree on a restructuring and we terminate the lease, we may not receive all or any payments still outstanding, and we may be unable to re-lease the aircraft promptly and at favorable rates, if at all. We have conducted restructurings and terminations in the ordinary course of our business, and we expect more will occur in the future. If we are obligated to perform a significant number of restructurings and terminations, the associated reduction in lease revenue could materially and adversely affect our financial results and cash flows.

The advent of superior aircraft and engine technology or the introduction of a new line of aircraft could cause our existing aircraft portfolio to become outdated and therefore less desirable.

As manufacturers introduce technological innovations and new types of aircraft and engines, some of the aircraft and engines in our aircraft portfolio may become less desirable to potential lessees. New aircraft manufacturers, such as Mitsubishi Aircraft Corporation in Japan, JSC United Aircraft Corporation in Russia and Commercial Aircraft Corporation of China, Ltd. in China could produce aircraft that compete with current offerings from Airbus, Aerei da Trasporto Regionale (ATR), Boeing, Bombardier and Embraer. Additionally, new manufacturers may develop a narrowbody aircraft that competes with established aircraft types from Airbus and Boeing, putting downward price pressure on and decreasing the marketability of aircraft from Airbus and Boeing. New aircraft types that are introduced into the market could be more attractive for the target lessees of our aircraft. The development of more fuel-efficient engines could make aircraft in our portfolio with engines that are not as fuel-efficient less attractive to potential lessees. In addition, the imposition of increasingly stringent noise or emissions regulations may make some of our aircraft and engines less desirable in the marketplace. A decrease in demand for our aircraft as a result of any of these factors could materially and adversely affect our financial results.

Airbus and Boeing have launched new aircraft types, which could decrease the value and lease rates of aircraft in our fleet.

Airbus and Boeing have launched several new aircraft types in recent years, including the Boeing 787 Family, the Boeing 737MAX Family, the Boeing 777X, the Airbus A320neo Family, the Airbus A330neo Family, and the Airbus A350 Family. The availability of these new aircraft types, and potential variants of these new aircraft types, may have an adverse effect on residual value and future lease rates of older aircraft types and variants. The development of these new types and variants of such new types could decrease the desirability of the older types and variants and thereby increase the supply of the older types and variants in the marketplace. This increase in supply could, in turn, reduce both future residual values and lease rates for such older aircraft types and variants.

From time to time, Airbus and Boeing have announced scheduled production increases, which could result in overcapacity and decrease the value and lease rates of aircraft in our fleet.

The market may not be able to absorb the scheduled production increases announced by Airbus and Boeing. If the additional capacity scheduled to be produced by the manufacturers exceeds demand, the resulting overcapacity could have a negative effect on aircraft values and lease rates. If overall lending to purchasers of aircraft does not increase in line with the increased aircraft production, the cost of lending or the ability to obtain debt to finance aircraft purchases could be negatively affected. Any such decrease in aircraft values and lease rates, or increase in the cost or availability of funding, could materially and adversely affect our financial results.

There are a limited number of aircraft and engine manufacturers and we depend on their ability to meet their obligations.

The supply of commercial jet aircraft is dominated by a small number of airframe and engine manufacturers. As a result, we are dependent on their ability to remain financially stable, manufacture products and related components that meet the airlines' demands and fulfill their contractual obligations to us. In the past we have experienced delays by the manufacturers in meeting their obligations to us and other third parties. If in the future the manufacturers fail to fulfill their contractual obligations to us, bring aircraft to market that do not meet customers' expectations, or do not respond appropriately to changes in the market environment, we may experience, among other things:

- missed or late delivery of aircraft and engines ordered by us and an inability to meet our contractual obligations to our customers, resulting in lost or delayed revenues, lower growth rates and strained customer relationships;
- an inability to acquire aircraft and engines and related components on terms that will allow us to lease those aircraft and engines to customers at a profit, resulting in lower growth rates or a contraction in our aircraft portfolio;
- a market environment with too many aircraft and engines available, creating downward pressure on demand for the aircraft and engines in our fleet and reduced market lease rates and sale prices;
- poor customer support or reputational damage from the manufacturers of aircraft, engines and components resulting in reduced demand for a particular manufacturer's product, creating downward pressure on demand for those aircraft and engines in our fleet and reduced market lease rates and sale prices for those aircraft and engines;
- reduction in our competitiveness due to deep discounting by the manufacturers, which may lead to reduced market lease rates and sale prices and may affect our ability to remarket or sell some of the aircraft and engines in our portfolio; and
- technical or other difficulties with aircraft after delivery that subject such aircraft to operating restrictions or groundings, resulting in a decline in value and lease rates of such aircraft and impairing our ability to lease or dispose of such aircraft on favorable terms.

Moreover, our purchase agreements with manufacturers and the leases we have signed with our customers for future lease commitments are all subject to cancellation rights related to delays in delivery dates. Any manufacturer delays for aircraft that we have committed to lease could strain our relations with our customers, and cancellation of such leases by the lessees could have a material adverse effect on our financial results.

Existing and future litigation against us could materially and adversely affect our business, financial position, liquidity or results of operations.

We are, and from time to time in the future may be, a defendant in lawsuits relating to our business. We cannot accurately predict the ultimate outcome of any litigation due to its inherent uncertainties. An unfavorable outcome could materially and adversely affect our business, financial position, liquidity or results of operations. In addition, regardless of the outcome of any litigation, we may be required to devote substantial resources and executive time to the defense of such actions. For a description of certain pending litigation involving our business, please refer to Note 29—*Commitments and contingencies* to our Consolidated Financial Statements included in this annual report.

Our international operations expose us to geopolitical, economic and legal risks associated with a global business.

We conduct our business in many countries. There are risks inherent in conducting our business internationally, including:

- general political and economic instability in international markets;
- limitations or the repatriation of our assets;
- expropriation of our international assets; and
- different liability standards and legal systems that may be less developed and less predictable than those in advanced economies.

Furthermore, the new U.S. presidential administration has proposed or is considering various actions that could affect U.S. trade policy or practices, which could, among other things, adversely affect travel to or from the United States. These factors may have a material and adverse effect on our financial results.

We may enter into strategic ventures that pose risks, including a lack of complete control over the enterprise, and potential unforeseen risks, any of which could adversely impact our financial results.

We may occasionally enter into strategic ventures or investments with third parties in order to take advantage of favorable financing opportunities, to share capital or operating risk, or to earn aircraft management fees. These strategic ventures and investments may subject us to various risks, including those arising from our possessing limited decision-making rights in the enterprise or over the related aircraft. If we were unable to resolve a dispute with a strategic partner who controls ultimate decision-making in such a venture or retains material managerial veto rights, we might reach an impasse which may lead to the liquidation of our investment at a time and in a manner that would result in our losing some or all of our original investment and/or the incurrence of other losses, which could adversely impact our financial results.

We are indirectly subject to many of the economic and political risks associated with emerging markets.

We derive substantial lease revenue (approximately 57% in 2017, 59% in 2016 and 60% in 2015) from airlines in emerging market countries. Emerging market countries have less developed economies and are more vulnerable to economic and political problems and may experience significant fluctuations in gross domestic product, interest rates and currency exchange rates, as well as civil disturbances, government instability, nationalization and expropriation of private assets and the imposition of taxes or other charges by government authorities. The occurrence of any of these events in markets served by our lessees and the resulting economic instability that may arise as a result of these events could adversely affect the value of our ownership interest in aircraft subject to lease in such countries, or the ability of our lessees that operate in these markets to meet their lease obligations. As a result, lessees that operate in emerging market countries may be more likely to default than lessees that operate in developed countries. In addition, legal systems in emerging market countries may be less developed, which could make it more difficult for us to enforce our legal rights in such countries. For these and other reasons, our financial results may be materially and adversely affected by economic and political developments in emerging market countries.

Because our lessees are concentrated in certain geographical regions, we have concentrated exposure to the political and economic risks associated with those regions.

Through our lessees and the countries in which they operate, we are exposed to the specific economic and political conditions and associated risks of those jurisdictions. For example, we have large concentrations of lessees in Russia, and therefore have increased exposure to the economic and political conditions in that country. These risks can include economic recessions, burdensome local regulations or, in extreme cases, increased risks of requisition of our aircraft. An adverse political or economic event in any region or country in which our lessees are concentrated or where we have a large number of aircraft could affect the ability of our lessees in that region or country to meet their obligations to us, or expose us to various legal or political risks associated with the affected jurisdictions, all of which could have a material and adverse effect on our financial results.

We are subject to various risks and requirements associated with transacting business in many countries.

Our international operations expose us to trade and economic sanctions, export controls and other restrictions imposed by the United States, the United Kingdom, or other governments or organizations. For example, the U.S. Departments of Justice, Commerce, State and Treasury and other U.S. federal agencies and authorities have a broad range of civil and criminal penalties they may seek to impose against corporations and individuals for violations of economic sanctions laws, export control laws, the Foreign Corrupt Practices Act, and other U.S. federal statutes and regulations, including those established by the Office of Foreign Asset Control. Under these laws and regulations, the U.S. government may require export licenses, may seek to impose modifications to business practices, including cessation of business activities in sanctioned countries, and modifications to compliance programs, which may increase compliance costs, and may subject us to fines, penalties and other sanctions. A violation of any of these laws or regulations could materially and adversely impact our business, operating results, and financial condition.

We have implemented and maintain in effect policies and procedures designed to ensure compliance by us, our subsidiaries and our directors, officers, employees, consultants and agents with respect to various export control, anti-corruption, anti-terrorism and anti-money laundering laws and regulations. However, such personnel could engage in unauthorized conduct for which we may be held responsible. Violations of such laws and regulations may result in severe criminal or civil sanctions, and we may be subject to other liabilities, which could materially and adversely affect our financial results.

Our ability to operate in some countries is restricted by foreign regulations and controls on investments.

Many countries restrict, or in the future might restrict, foreign investments in a manner adverse to us. These restrictions and controls have limited, and may in the future restrict or preclude, our investment in joint ventures or the acquisition of businesses in certain jurisdictions or may increase the cost to us of entering into such transactions. Various governments, particularly in the Asia/Pacific region, require governmental approval before foreign persons may make investments in domestic businesses and also limit the extent of any such investments. Furthermore, various governments may reserve the right to approve the repatriation of capital by, or the payment of dividends to, foreign investors. Restrictive policies regarding foreign investments may increase our costs of pursuing growth opportunities in foreign jurisdictions, which could materially and adversely affect our financial results.

Our aircraft are subject to various environmental regulations.

Governmental regulations regarding aircraft and engine noise and emissions levels apply based on where the relevant airframe is registered and where the aircraft is operated. For example, jurisdictions throughout the world have adopted noise regulations that require all aircraft to comply with noise level standards. In addition, the United States and the International Civil Aviation Organization ("ICAO") have adopted a more stringent set of standards for noise levels that apply to engines manufactured or certified beginning in 2006. Currently, United States regulations do not require any phase-out of aircraft that qualify with the older standards, but the EU has established a framework for the imposition of operating limitations on aircraft that do not comply with the newer standards. These regulations could limit the economic life of certain of our aircraft and engines, reduce their value, limit our ability to lease or sell the non-compliant aircraft and engines or, if engine modifications are permitted, require us to make significant additional investments in the aircraft and engines to make them compliant.

In addition to more stringent noise restrictions, the United States, EU and other jurisdictions have imposed more stringent limits on the emission of nitrogen oxide, carbon monoxide and carbon dioxide from engines. Although current emissions control laws generally apply to newer engines, new laws could be passed in the future that also impose limits on older engines, and therefore our older engines could be subject to existing or new emissions limitations or indirect taxation. For example, the EU issued a directive in January 2009 to include aviation within the scope of its greenhouse gas emissions trading scheme, thereby requiring that all flights arriving, departing or flying within any EU country, beginning on January 1, 2012, comply with the scheme and surrender allowances for emissions, regardless of the age of the engine used in the aircraft. In addition, the United States Environmental Protection Agency ruled that jet engine exhaust endangers public health by contributing to climate change, increasing the likelihood that regulations will be proposed in this regard. Limitations on emissions such as the one in the EU could favor younger, more fuel efficient aircraft since they generally produce lower levels of emissions per passenger, which could adversely affect our ability to re-lease or otherwise dispose of less efficient aircraft on a timely basis, at favorable terms, or at all. This is an area of law that is rapidly changing and as of yet remains specific to certain jurisdictions. While we do not know at this time whether new emission control laws will be passed, and if passed what impact such laws might have on our business, any future emissions limitations could adversely affect us.

Our operations are subject to various environmental regulations.

Our operations are subject to various federal, state and local environmental, health and safety laws and regulations in the United States, including those relating to the discharge of materials into the air, water and ground, the generation, storage, handling, use, transportation and disposal of hazardous materials, and the health and safety of our employees. A violation of these laws and regulations or permit conditions can result in substantial fines, permit revocation or other damages. Many of these laws impose liability for clean-up of contamination that may exist at our facilities (even if we did not know of or did not cause the contamination) or related personal injuries or natural resource damages or costs relating to contamination at third party waste disposal sites where we have sent or may send waste. We may not be in complete compliance with these laws, regulations or permits at all times. We may have liability under environmental laws or be subject to legal actions brought by governmental authorities or other parties for actual or alleged violations of, or liability under, environmental, health and safety laws, regulations or permits.

If a decline in demand for certain aircraft causes a decline in its projected lease rates, or if we dispose of an aircraft for a price that is less than its depreciated book value on our balance sheet, then we will recognize impairments or make fair value adjustments.

We test long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amounts of the assets may not be recoverable from their undiscounted cash flows. If the gross cash flow test fails, the difference between the fair value and the carrying amount of the aircraft is recognized as an impairment loss. Factors that may contribute to impairment charges include, but are not limited to, unfavorable airline industry trends affecting the residual values of certain aircraft types, high fuel prices and development of more fuel efficient aircraft shortening the useful lives of certain aircraft, management's expectations that certain aircraft are more likely than not to be parted-out or otherwise disposed of sooner than their expected life, and new technological developments. Cash flows supporting carrying values of older aircraft are more dependent upon current lease contracts. In addition, we believe that residual values of older aircraft are more exposed to non-recoverable declines in value in the current economic environment.

If economic conditions deteriorate, we may be required to recognize impairment losses. In that event, our estimates and assumptions regarding forecasted cash flows from our long-lived assets would need to be reassessed, including the duration of the economic downturn and the timing and strength of the pending recovery, both of which are important variables for purposes of our long-lived asset impairment tests. Any of our assumptions may prove to be inaccurate, which could adversely impact forecasted cash flows of certain long-lived assets, especially for older aircraft. If so, it is possible that an impairment may be triggered for other long-lived assets in the future and that any such impairment amounts may be material. As of December 31, 2017, 173 of our owned aircraft under operating leases were 15 years of age or older. These aircraft represented approximately 6% of the net book value of our total flight equipment and lease-related assets and liabilities as of December 31, 2017.

A cyberattack could lead to a material disruption of our IT systems or the IT systems of our third party providers and the loss of business information, which may hinder our ability to conduct our business effectively and may result in lost revenues and additional costs.

Parts of our business depend on the secure operation of our information technology, or IT, systems and the IT systems of our third party providers to manage, process, store and transmit information associated with aircraft leasing. Like other global companies, we have, from time to time, experienced threats to our data and systems, including malware and computer virus attacks, internet network scans, systems failures and disruptions. A cyberattack that bypasses our IT security systems or the IT security systems of our third party providers, causing an IT security breach, could lead to a material disruption of our IT systems or the IT systems of our third party providers, as applicable, and adversely impact our daily operations and cause the loss of sensitive information, including our own proprietary information and that of our customers, suppliers and employees. Such losses could harm our reputation and result in competitive disadvantages, litigation, regulatory enforcement actions, lost revenues, additional costs and liability. While we devote substantial resources to maintaining adequate levels of cybersecurity, our resources and technical sophistication may not be adequate to prevent all types of cyberattacks.

We could suffer material damage to, or interruptions in, our IT systems or the IT systems of our third party providers as a result of external factors, staffing shortages or difficulties in updating our existing software or developing or implementing new software.

We depend largely upon our IT systems and the IT systems of our third party providers in the conduct of all aspects of our operations. Such systems are subject to damage or interruption from power outages, computer and telecommunications failures, computer viruses, security breaches, fire and natural disasters. Damage or interruption to these IT systems may require a significant investment to fix or replace them, and we may suffer interruptions in our operations in the interim. In addition, we are currently pursuing a number of IT-related projects that will require ongoing IT-related development and conversion of existing systems. Costs and potential problems and interruptions associated with the implementation of new or upgraded systems and technology or with maintenance or adequate support of existing systems could also disrupt or reduce the efficiency of our operations. Any material interruptions or failures in our IT systems may have a material adverse effect on our business or results of operations.

Risks related to our organization and structure

We are a public limited liability company incorporated in the Netherlands ("naamloze vennootschap" or "N.V.") and it may be difficult to obtain or enforce judgments against us or our executive officers, some of our directors and some of our named experts in the United States.

We were incorporated under the laws of the Netherlands and, as such, the rights of holders of our ordinary shares and the civil liability of our directors will be governed by the laws of the Netherlands and our articles of association. The rights of shareholders under the laws of the Netherlands may differ from the rights of shareholders of companies incorporated in other jurisdictions. Many of our directors and executive officers and most of our assets and the assets of many of our directors are located outside the United States. In addition, our articles of association do not provide for U.S. courts as a venue for, or for the application of U.S. law to, lawsuits against us, our directors and executive officers. As a result, you may not be able to serve process on us or on such persons in the United States or obtain or enforce judgments from U.S. courts against us or them based on the civil liability provisions of the securities laws of the United States. There is doubt as to whether the Dutch courts would enforce certain civil liabilities under U.S. securities laws in original actions and enforce claims for punitive damages.

Under our articles of association, we indemnify and hold our directors, officers and employees harmless against all claims and suits brought against them, subject to limited exceptions. Under our articles of association, to the extent allowed by law, the rights and obligations among or between us, any of our current or former directors, officers and employees and any current or former shareholder shall be governed exclusively by the laws of the Netherlands and subject to the jurisdiction of the Dutch courts, unless such rights or obligations do not relate to or arise out of their capacities listed above. Although there is doubt as to whether U.S. courts would enforce such provision in an action brought in the United States under U.S. securities laws, such provision could make judgments obtained outside of the Netherlands more difficult to enforce against our assets in the Netherlands or jurisdictions that would apply Dutch law.

If our subsidiaries do not make distributions to us we will not be able to pay dividends.

Substantially all of our assets are held by, and substantially all of our revenues are generated by our subsidiaries. While we do not currently, and do not currently intend to, pay dividends, we will be limited in our ability to pay dividends unless we receive dividends or other cash flow from our subsidiaries. A substantial portion of our owned aircraft are held through SPEs or finance structures that borrow funds to finance or refinance the aircraft. The terms of these financings place restrictions on distributions of funds to us. If these limitations prevent distributions to us or our subsidiaries do not generate positive cash flows, we will be limited in our ability to pay dividends and may be unable to transfer funds between subsidiaries if required to support our subsidiaries.

As a foreign private issuer, we are permitted to file less information with the SEC than a company incorporated in the United States. Accordingly, there may be less publicly available information concerning us than there is for companies incorporated in the United States.

As a foreign private issuer, we are exempt from certain rules under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), which impose disclosure requirements, as well as procedural requirements, for proxy solicitations under Section 14 of the Exchange Act. We are not required to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act, nor are we generally required to comply with the SEC's Regulation FD, which restricts the selective disclosure of material non-public information. In addition, our officers and directors are exempt from the periodic reporting and short-swing profit recovery requirements in Section 16 of the Exchange Act. As a result, there may be less publicly available information concerning us than there is for a company that files as a domestic issuer.

The effect of purchases and sales of our ordinary shares by the hedge counterparties (or their affiliates or agents) to modify or terminate their hedge positions may have a negative effect on the market price of our ordinary shares.

We have been advised that Waha, which previously was a significant direct AerCap shareholder, has entered into funded collar transactions relating to its AerCap ordinary shares, pursuant to which, we have been advised, collar counterparties (or their affiliates or agents) have borrowed from Waha and re-sold, and may continue to purchase and sell, our ordinary shares. The purchases and sales of our ordinary shares by the collar counterparties (or their affiliates or agents) to modify the collar counterparties' hedge positions from time to time during the term of the funded collar transactions may variously have a positive, negative or neutral impact on the market price of our ordinary shares and may affect the volatility of the market price of our ordinary shares, depending on market conditions at such times. In addition, purchases of our ordinary shares by the collar counterparties (or their affiliates or agents) in connection with the termination by Waha of any portion of the loan of our ordinary shares to the collar counterparties under the funded collar transactions, or cash settlement of any funded collar transaction, may have the effect of increasing, or limiting a decrease in, the market price of our ordinary shares during the relevant unwind period.

Risks related to taxation

We may become a passive foreign investment company ("PFIC") for U.S. federal income tax purposes.

We do not believe we will be classified as a PFIC for 2017. We cannot yet make a determination as to whether we will be classified as a PFIC for 2018 or subsequent years. The determination as to whether a foreign corporation is a PFIC is a complex determination based on all of the relevant facts and circumstances and depends on the classification of various assets and income under PFIC rules. In our case, the determination is further complicated by the application of the PFIC rules to leasing companies and to joint ventures and financing structures common in the aircraft leasing industry. It is unclear how some of these rules apply to us. Further, this determination must be tested annually and our circumstances may change in any given year. We do not intend to make decisions regarding the purchase and sale of aircraft with the specific purpose of reducing the likelihood of our becoming a PFIC. Accordingly, our business plan may result in our engaging in activities that could cause us to become a PFIC. If we are or become a PFIC, U.S. shareholders may be subject to increased U.S. federal income taxes on a sale or other disposition of our ordinary shares and on the receipt of certain distributions and will be subject to increased U.S. federal income tax reporting requirements. See "Item 10. Additional Information—Taxation—U.S. tax considerations" for a more detailed discussion of the consequences to you if we are treated as a PFIC and a discussion of certain elections that may be available to mitigate the effects of that treatment. We urge you to consult your own tax advisors regarding the application of the PFIC rules to your particular circumstances.

We may become subject to income or other taxes in jurisdictions which would adversely affect our financial results.

We and our subsidiaries are subject to the income tax laws of Ireland, the Netherlands, the United States and other jurisdictions in which our subsidiaries are incorporated or based. Our effective tax rate in any period is impacted by the source and the amount of earnings among our different tax jurisdictions. A change in the division of our earnings among our tax jurisdictions could have a material impact on our effective tax rate and our financial results. In addition, we or our subsidiaries may be subject to additional income or other taxes in these and other jurisdictions by reason of the management and control of our subsidiaries, our activities and operations, where our aircraft operate, where the lessees of our aircraft (or others in possession of our aircraft) are located or changes in tax laws, regulations or accounting principles. Although we have adopted guidelines and operating procedures to ensure our subsidiaries are appropriately managed and controlled, we may be subject to such taxes in the future and such taxes may be substantial. The imposition of such taxes could have a material adverse effect on our financial results.

We may incur current tax liabilities in our primary operating jurisdictions in the future.

We expect to make current tax payments in some of the jurisdictions where we do business in the normal course of our operations. Our ability to defer the payment of some level of income taxes to future periods is dependent upon the continued benefit of accelerated tax depreciation on our flight equipment in some jurisdictions, the continued deductibility of external and intercompany financing arrangements and the application of tax losses prior to their expiration in certain tax jurisdictions, among other factors. The level of current tax payments we make in any of our primary operating jurisdictions could adversely affect our cash flows and have a material adverse effect on our financial results.

We may become subject to additional Irish taxes based on the extent of our operations carried on in Ireland.

Our Irish tax resident group companies are currently subject to Irish corporate income tax on trading income at a rate of 12.5%, on capital gains at 33% and on other income at 25%. We expect that substantially all of our Irish income will be treated as trading income for tax purposes in future periods. As of December 31, 2017, we had significant Irish tax losses available to carry forward against our trading income. The continued application of the 12.5% tax rate to trading income generated in our Irish tax resident group companies and the ability to carry forward Irish tax losses to offset future taxable trading income depends in part on the extent and nature of activities carried on in Ireland both in the past and in the future. Our Irish tax resident group companies intend to carry on their activities in Ireland so that the 12.5% rate of tax applicable to trading income will apply and that they will be entitled to offset future income with tax losses arising from the same trading activity.

We may fail to qualify for benefits under one or more tax treaties.

We do not expect that our subsidiaries located outside of the United States will have any material U.S. federal income tax liability by reason of activities we carry out in the United States and the lease of assets to lessees that operate in the United States. This conclusion will depend, in part, on continued qualification for the benefits of income tax treaties between the United States and other countries in which we are subject to tax (particularly Ireland). That in turn may depend on, among others, the nature and level of activities carried on by us and our subsidiaries in each jurisdiction, the identity of the owners of equity interests in subsidiaries that are not wholly owned and the identities of the direct and indirect owners of our indebtedness.

The nature of our activities may be such that our subsidiaries may not continue to qualify for the benefits under income tax treaties with the United States and that may not otherwise qualify for treaty benefits. Failure to so qualify could result in the imposition of U.S. federal and state taxes, which could have a material adverse effect on our financial results.

Changes in tax laws may result in additional taxes for us or for our shareholders.

Tax laws and the practice of the local tax authorities in the jurisdictions in which we reside, in which we conduct activities or operations, or where our aircraft or lessees of our aircraft are located may change in the future. Such changes in tax law or practice could result in additional taxes for us or our shareholders. On December 22, 2017, the United States enacted new tax legislation (the "Tax Legislation") that significantly revises the Internal Revenue Code of 1986, as amended (the "Code"). The Tax Legislation included, among other things, a reduction of the U.S. corporate income tax rate, limits on the deductibility of business interest, the ability to deduct certain capital expenditures and a new minimum tax on certain payments to non-U.S. affiliates of U.S. corporations. The impact of the Tax Legislation on the business and operations of our U.S. subsidiaries is currently unclear. We are currently conducting an analysis of the Tax Legislation as enacted and its effect on our business. In addition, the Tax Legislation is unclear in certain respects and will require interpretations and implementing regulations by the IRS, and could also be subject to potential amendments and technical corrections by Congress. Investors should consult with their tax advisors with respect to the effects of the Tax Legislation on their investment in our common shares.

The introduction of Base Erosion and Profit Shifting ("BEPS") by the Organization for Economic Cooperation and Development's ("OECD") may impact our effective rate of tax in future periods.

The OECD issued various final reports under its BEPS action plan in October 2015 ("the BEPS Plan"). The OECD's reports cover issues such as the prevention of abuse of tax treaties, deductibility of interest costs, determination of permanent establishments and transfer pricing of services. Certain of the proposed BEPS changes to existing double tax treaties may be implemented by means of a Multi-lateral Instrument ("MLI"). On June 7, 2017, representatives from over 70 countries, including Ireland, participated in the OECD signing ceremony for the MLI. The MLI seeks to implement agreed tax treaty-related measures combating tax avoidance into bilateral existing tax treaties without the need to renegotiate a new treaty. It is possible that the MLI may have effect from as early as January 1, 2019, but the effective date could be later. Further changes to tax law will be required in order to fully implement the BEPS Plan. At this moment, it is difficult to determine what further BEPS actions the governments of the jurisdictions in which we operate will implement. Depending on the nature of the BEPS action plans adopted, it may result in an increase in our effective tax rate in future periods.

The EU Anti-tax Avoidance proposals may impact our effective rate of tax in future periods.

The EU Commission has published a draft Anti-Tax Avoidance Directive ("EU ATAD") which seeks to oblige all member states to introduce a number of anti-tax avoidance measures. Many of these measures have been derived from the OECD's BEPS initiative and there are a number of similarities between the OECD proposals and EU ATAD. However, even where there are common concepts between the OECD BEPS initiative and EU ATAD, there are a number of differences in detail.

Most of the measures contained in the EU ATAD are due to be implemented with effect from January 1, 2019, though certain measures may be deferred to 2024 in certain circumstances. The EU ATAD contemplates the introduction of various measures, including a restriction on the deductibility of interest, an exit charge, controlled foreign company rules and a general anti-avoidance rule. Furthermore, each member state will need to introduce EU ATAD in its own domestic law (to the extent the relevant member state's domestic tax law does not currently contain equivalent provisions) which may lead to some variances between EU member states. As such, until the detailed provisions for the implementation of the EU ATAD are known in each relevant country (including Ireland), it is difficult to be conclusive about the directive's potential impact on us.

Item 4. Information on the Company

History and development of the Company

AerCap Holdings N.V. was incorporated in the Netherlands as a public limited liability company (" *naamloze vennootschap*" *or* "*N.V.*") on July 10, 2006. On November 27, 2006, we completed the initial public offering of 26.1 million of our ordinary shares on the New York Stock Exchange (the "NYSE"). On August 6, 2007, we completed the secondary offering of 20.0 million additional ordinary shares on the NYSE. Our headquarters is located in Dublin, and we have offices in Shannon, Los Angeles, Singapore, Amsterdam, Fort Lauderdale, Shanghai and Abu Dhabi. We also have representative offices at the world's largest aircraft manufacturers, Boeing in Seattle and Airbus in Toulouse.

As of December 31, 2017, we had 167,847,345 ordinary shares issued, including 152,992,101 ordinary shares issued and outstanding, and 14,855,244 ordinary shares held as treasury shares. Our issued and outstanding ordinary shares included 3,007,752 shares of unvested restricted stock.

Our principal executive offices are located at AerCap House, 65 St. Stephen's Green, Dublin 2, Ireland, and our general telephone number is +353 1 819 2010. Our website address is *www.aercap.com*. Information contained on our website does not constitute a part of this annual report. Puglisi & Associates is our authorized representative in the United States. The address of Puglisi & Associates is 850 Liberty Avenue, Suite 204, Newark, DE 19711 and their general telephone number is +1 (302) 738-6680.

Capital expenditures

Our primary capital expenditure is the purchase of aircraft under aircraft purchase agreements with Airbus, Boeing and Embraer. Please refer to "Item 5. Operating and Financial Review and Prospects—Liquidity and capital resources" for a detailed discussion of our capital expenditures currently in progress. The following table presents our capital expenditures for the years ended December 31, 2017, 2016 and 2015:

	Year Ended December 31,		
	2017	2016	2015
	(U.S. Dollars in thousands)		
Purchase of flight equipment	$ 3,956,671	$ 2,892,731	$ 2,772,110
Prepayments on flight equipment	1,268,585	947,419	791,546

Business overview

Aircraft leasing

We are a global leader in aircraft leasing. We focus on acquiring in-demand aircraft at attractive prices, funding them efficiently, hedging interest rate risk prudently and using our platform to deploy these assets with the objective of delivering superior risk-adjusted returns. We believe that by applying our expertise, we will be able to identify and execute on a broad range of market opportunities that we expect will generate attractive returns for our shareholders. We are an independent aircraft lessor, and, as such, we are not affiliated with any airframe or engine manufacturer. This independence provides us with purchasing flexibility to acquire aircraft or engine models regardless of the manufacturer.

We operate our business on a global basis, leasing aircraft to customers in every major geographical region. As of December 31, 2017, we owned 980 aircraft and we managed 113 aircraft. As of December 31, 2017, we also had 438 new aircraft on order, including 222 Airbus A320neo Family aircraft, 104 Boeing 737MAX aircraft, 53 Boeing 787 aircraft, 50 Embraer E-Jets E2 aircraft, and nine Airbus A350 aircraft. As of December 31, 2017, the average age of our 980 owned aircraft fleet, weighted by net book value, was 6.8 years and as of December 31, 2016, the average age of our 1,022 owned aircraft fleet, weighted by net book value, was 7.4 years.

We have the infrastructure, expertise and resources to execute a large number of diverse aircraft transactions in a variety of market conditions. During the year ended December 31, 2017, we executed 402 aircraft transactions. Our teams of dedicated marketing and asset trading professionals have been successful in leasing and managing our aircraft portfolio. During the year ended December 31, 2017, our weighted average owned aircraft utilization rate was 99.1%, calculated based on the number of days each aircraft was on lease during the year, weighted by the net book value of the aircraft.

Aircraft leases and transactions

We lease most of our aircraft to airlines under operating leases. Under these leases, the lessee is responsible for the maintenance and servicing of the equipment during the lease term and the lessor receives the benefit, and assumes the risk, of the residual value of the equipment at the end of the lease. Rather than purchase all of their aircraft, many airlines acquire aircraft under operating leases because this reduces their capital requirements and costs and allows them to manage their fleet more efficiently as aircraft are returned over time. Since the 1970's and the creation of aircraft leasing pioneers Guinness Peat Aviation ("GPA") and ILFC, the world's airlines have increasingly turned to operating leases to meet their aircraft needs. As of December 31, 2017, our owned and managed aircraft were leased to approximately 200 customers in approximately 80 countries. Over the life of our aircraft, we seek to increase the returns on our investments by managing the lease rates, time off-lease and financing and maintenance costs, and by carefully timing their sale.

Our current operating aircraft leases have initial terms ranging in length up to approximately 16 years. By varying our lease terms, we mitigate the effects of changes in cyclical market conditions at the time aircraft become eligible for re-lease.

Well in advance of the expiration of an operating lease, we prioritize entering into a lease extension with the then-current operator. This reduces our risk of aircraft downtime as well as aircraft transition costs. The terms of our lease extensions reflect the market conditions at the time and typically contain different terms from the original lease. Should a lessee not be interested in extending a lease, or if we believe we can obtain a more favorable return on the aircraft, we will explore other options, including sale of the aircraft. If we enter into a lease agreement for the same aircraft with a different lessee, we generally do so well in advance of the scheduled return date of the aircraft. When the aircraft is returned, there may be maintenance work to be performed before the aircraft transitions to the next lessee. Upon redelivery, an aircraft is usually delivered to the next lessee in fewer than two months.

Our extensive experience, global reach and operating capabilities allow us to rapidly complete numerous aircraft transactions, which enables us to increase the returns on our aircraft investments by minimizing any time that our aircraft are not generating revenue for us. We successfully executed 402 aircraft transactions during the year ended December 31, 2017.

The following table provides details regarding the aircraft transactions we executed during the years ended December 31, 2017, 2016 and 2015. The trends shown in the table reflect the execution of the various elements of our leasing strategy for our owned and managed portfolio, as described further below:

	Year Ended December 31,			
	2017	2016	2015	Total
Owned portfolio				
New leases on new aircraft	59	72	56	187
New leases on used aircraft	51	75	108	234
Extensions of lease contracts	105	113	97	315
Aircraft purchases	58	38	46	142
Aircraft sales and part-outs	99	124	68	291
Managed portfolio				
New leases on used aircraft	4	7	3	14
Extensions of lease contracts	11	12	12	35
Aircraft sales and part-outs	15	17	15	47
Total aircraft transactions	**402**	**458**	**405**	**1,265**

Leases of new aircraft generally have longer terms than used aircraft on re-lease. In addition, leases of more expensive aircraft generally have longer lease terms than those for less expensive aircraft. Lease terms for owned aircraft tend to be longer than those for managed aircraft because the average age of our owned fleet is lower than that of our managed fleet.

Before making any decision to lease an aircraft, we perform a review of the prospective lessee, which generally includes reviewing financial statements, business plans, cash flow projections, maintenance capabilities, operational performance histories, hedging arrangements for fuel, foreign currency and interest rates and relevant regulatory approvals and documentation. We perform on-site credit reviews for new lessees, which typically include extensive discussions with the prospective lessee's management before we enter into a new lease. We also evaluate the jurisdiction in which the lessee operates to ensure we are in compliance with any regulations and evaluate our ability to repossess our assets in the event of a lessee default. Depending on the credit quality and financial condition of the lessee, we may require the lessee to obtain guarantees or other financial support from an acceptable financial institution or other third parties.

We typically require our lessees to provide a security deposit for their performance under their leases, including the return of the aircraft in the specified maintenance condition at the expiration of the lease.

All of our lessees are responsible for the maintenance and repair of the leased aircraft as well as other operating costs during the lease term. Based on the credit quality of the lessee, we require some of our lessees to pay supplemental maintenance rents to cover major scheduled maintenance costs. If a lessee pays supplemental maintenance rents, we reimburse them for their maintenance costs up to the amount of their supplemental maintenance rent payments. Under the terms of our leases, at lease expiration, to the extent that a lessee has paid us more supplemental maintenance rents than we have reimbursed them for their maintenance costs, we retain the excess rent. In most lease contracts that do not require the payment of supplemental maintenance rents, the lessee is generally required to redeliver the aircraft in a similar maintenance condition (normal wear and tear excepted) as when accepted under the lease. To the extent that the redelivery condition is different from the acceptance condition, we generally receive cash compensation for the value difference at the time of redelivery. As of December 31, 2017, 464 (approximately 47%) of our 980 owned aircraft leases and as of December 31, 2016, 510 (approximately 50%) of our 1,022 owned aircraft leases, provided for the payment of supplemental maintenance rents.

In all cases, we require the lessee to reimburse us for any costs we incur if the aircraft is not in the required condition upon redelivery. All of our leases contain provisions regarding our remedies and rights in the event of default by the lessee, and also include specific provisions regarding the required condition of the aircraft upon its redelivery.

Our lessees are also responsible for compliance with all applicable laws and regulations governing the leased aircraft and all related costs. We require our lessees to comply with either the Federal Aviation Administration, European Aviation Safety Agency or their equivalent standards in other jurisdictions.

During the term of our leases, some of our lessees have experienced financial difficulties resulting in the need to restructure their leases. Generally, our restructurings have involved a number of possible changes to the lease terms, including the voluntary termination of leases prior to their scheduled expiration, the arrangement of subleases from the primary lessee to a sublessee, the rescheduling of lease payments and the exchange of lease payments for other consideration, including shares and promissory notes. In some cases, we have been required to repossess a leased aircraft and, in those cases, we have usually exported the aircraft from the lessee's jurisdiction to prepare it for remarketing. In the majority of these situations, we have obtained the lessee's cooperation and the return and export of the aircraft were completed without significant delay, generally within two months. In some situations, however, our lessees have not cooperated in returning aircraft and we have been required to take legal action. In connection with the repossession of an aircraft, we may be required to settle claims on the aircraft or to which the lessee is subject, including outstanding liens on the repossessed aircraft.

Scheduled lease expirations

The following table presents the scheduled lease expirations (for the minimum non-cancelable period, which does not include contracted unexercised lease extension options) for our owned aircraft under operating leases by aircraft type as of December 31, 2017:

Aircraft type	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Airbus A320 Family	41	69	74	55	34	38	19	11	—	4	6	1	—	—	352
Airbus A320neo Family	—	—	—	—	—	—	—	1	—	—	14	27	1	4	47
Airbus A330	8	9	11	5	12	10	6	—	—	1	—	—	—	—	62
Airbus A350	—	—	—	—	—	—	—	—	—	2	6	7	—	—	15
Boeing 737NG	16	22	19	21	18	25	31	17	34	26	6	—	—	—	235
Boeing 767	7	11	6	4	—	—	2	—	—	—	—	—	—	—	30
Boeing 777-200ER	5	—	4	1	—	2	1	—	—	—	—	—	—	—	13
Boeing 777-300/300ER	7	10	2	1	2	1	1	3	—	1	—	—	—	—	28
Boeing 787	—	—	—	—	—	5	6	4	13	12	6	14	—	2	62
Other	4	7	2	11	—	—	1	—	—	—	—	—	—	—	25
Total (a)(b)	**88**	**128**	**118**	**98**	**66**	**81**	**67**	**36**	**47**	**46**	**38**	**49**	**1**	**6**	**869**

(a) Includes aircraft that have been re-leased or for which the lease has been extended.

(b) Excludes 26 off-lease aircraft. As of March 2, 2018, 23 of the off-lease aircraft were re-leased or under commitments for re-lease and three aircraft were designated for sale or part-out.

Principal markets and customers

The following table presents the percentage of lease revenue of our owned portfolio from our top five lessees for the year ended December 31, 2017:

Lessee	Percentage of 2017 lease revenue
American Airlines	6.9 %
Emirates	4.7 %
Air France	4.6 %
China Southern Airlines	3.7 %
LATAM Airlines	3.6 %
Total	**23.5 %**

We lease our aircraft to lessees located in numerous and diverse geographical regions. The following table presents the percentage of our lease revenue by region based on our lessee's principal place of business for the years ended December 31, 2017, 2016 and 2015:

	Year Ended December 31,		
	2017	2016	2015
Asia/Pacific/Russia	35 %	36 %	36 %
Europe	31 %	31 %	32 %
United States/Canada/Caribbean	14 %	14 %	14 %
Latin America	10 %	9 %	8 %
Africa/Middle East	10 %	10 %	10 %
Total	**100 %**	**100 %**	**100 %**

For further geographic information on our lease revenue and long-lived assets, refer to Note 20—*Geographic information* to our Consolidated Financial Statements included in this annual report.

Aircraft services

We provide aircraft asset management and corporate services to securitization vehicles, joint ventures and other third parties. As of December 31, 2017, we had aircraft management and administration and/or cash management service contracts with eight parties that owned 113 aircraft. We categorize our aircraft services into aircraft asset management, administrative services and cash management services. Since we have an established operating system to manage our own aircraft, the incremental cost of providing aircraft management services to securitization vehicles, joint ventures and third parties is limited. Our primary aircraft asset management activities include:

- remarketing aircraft;
- collecting rental and supplemental maintenance rent payments, monitoring aircraft maintenance, monitoring and enforcing contract compliance and accepting delivery and redelivery of aircraft;
- conducting ongoing lessee financial performance reviews;
- periodically inspecting the leased aircraft;
- coordinating technical modifications to aircraft to meet new lessee requirements;
- conducting restructuring negotiations in connection with lease defaults;
- repossessing aircraft;
- arranging and monitoring insurance coverage;
- registering and de-registering aircraft;
- arranging for aircraft and aircraft engine valuations; and
- providing market research.

We charge fees for our aircraft management services based on a mixture of fixed and rental-based amounts, but we also receive performance-based fees related to the managed aircraft lease revenues or sale proceeds.

We provide cash management and administrative services to securitization vehicles and joint ventures. Cash management services consist primarily of treasury services such as the financing, refinancing, hedging and ongoing cash management of these vehicles. Our administrative services consist primarily of accounting and corporate secretarial services, including the preparation of budgets and financial statements and, in the case of some securitization vehicles, liaising with the debt rating agencies.

Engine, parts and supply chain solutions

At the end of 2015, we decided to restructure and downsize the AeroTurbine business. Please refer to Note 25—*AeroTurbine restructuring* to our Consolidated Financial Statements included in this annual report for detail of the AeroTurbine-related restructuring expenses we recorded during the years ended December 31, 2017, 2016 and 2015.

Prior to the restructuring and downsizing, AeroTurbine provided engine leasing, certified aircraft engines, airframes, and engine parts, and supply chain solutions, and was capable of disassembling aircraft and engines into parts. AeroTurbine sold airframe parts primarily to airlines, maintenance, repair and maintenance service providers, and aircraft parts distributors. AeroTurbine also provided us with part-out and engine leasing capabilities.

Our business strategy

We develop our aircraft leasing business by executing on our focused business strategy, the key components of which are as follows:

Manage the profitability of our aircraft portfolio

Manage the long-term profitability of our aircraft portfolio by selectively:

- purchasing aircraft directly from manufacturers;
- entering into purchase and leaseback transactions with aircraft operators;
- using our global customer relationships to obtain favorable lease terms for aircraft and maximizing aircraft utilization;
- maintaining diverse sources of global funding;
- optimizing our portfolio by selling select aircraft; and
- providing management services to securitization vehicles, our joint ventures and other aircraft owners at limited incremental cost to us.

Our ability to profitably manage aircraft throughout their lifecycle depends in part on our ability to successfully source acquisition opportunities of new and used aircraft at favorable terms, as well as secure long-term funding for such acquisitions, lease aircraft at profitable rates, minimize downtime between leases and associated technical expenses and opportunistically sell aircraft.

Efficiently manage our liquidity

Our management analyzes sources of financing based on pricing and other terms and conditions in order to optimize the return on our investments. We have the ability to access a broad range of liquidity sources globally. In 2017, we raised approximately $12.6 billion of financing, including through bank debt, revolving credit facilities and note issuances in the debt capital markets.

We have access to liquidity in the form of our revolving credit facilities and our term loan facilities, which provide us with flexibility in raising capital and enable us to deploy capital rapidly to accretive purchasing opportunities that arise in the market. As of December 31, 2017, we had approximately $6.7 billion of undrawn lines of credit available under our credit and term loan facilities and $1.7 billion of unrestricted cash. We strive to maintain a diverse financing strategy, both in terms of capital providers and structure, through the use of bank debt, note issuance and export credit, including ECA guaranteed loans, in order to maximize our financial flexibility. We also leverage our longstanding relationships with the major aircraft financers and lenders to secure access to capital. In addition, we attempt to maximize our operating cash flows and continue to pursue the sale of aircraft to generate additional cash flows. Please refer to Note 15—*Debt* to our Consolidated Financial Statements included in this annual report for a detailed description of our outstanding indebtedness.

Manage our aircraft portfolio

We intend to maintain an attractive portfolio of in-demand aircraft by acquiring new aircraft directly from aircraft manufacturers, executing purchase and leasebacks with airlines, assisting airlines with refleetings, and through other opportunistic transactions. We rely on our experienced team of portfolio management professionals to identify and purchase assets we believe are being sold at attractive prices or that we believe will experience an increase in demand and value over a prolonged period of time. In addition, we intend to continue to rebalance our aircraft portfolio through sales to maintain the appropriate mix of aviation assets by customer concentration, age and aircraft type.

Maintain a diversified and satisfied customer base

We currently lease our owned and managed aircraft to approximately 200 customers in approximately 80 countries. We monitor our exposure concentrations by both lessee and country jurisdiction and intend to maintain a well-diversified customer base. We believe we offer a quality product, both in terms of asset and customer service, to all of our customers. We have successfully worked with many airlines to find mutually beneficial solutions to operational and financial challenges. We believe we maintain excellent relations with our customers. We have been able to achieve a high utilization rate on our aircraft assets as a result of our customer reach, quality product offering and strong portfolio management capabilities.

Joint ventures

We conduct some of our business through joint ventures. The joint venture arrangements allow us to:

- increase the geographical and product diversity of our portfolio;
- obtain stable servicing revenues; and
- diversify our exposure to the economic risks related to aircraft.

Please refer to Note 27—*Variable interest entities* to our Consolidated Financial Statements included in this annual report for a detailed description of our joint ventures.

Relationship with Airbus and Boeing and other manufacturers

We are one of the largest customers of Airbus and Boeing measured by deliveries of aircraft through 2017 and our order backlog. We are also the launch customer of the Embraer E2 program, with an order for 50 E-Jets E2 aircraft which are scheduled for entry into service in 2018. We are also among the largest purchasers of engines from each of CFM International, GE Aviation, International Aero Engines, Pratt & Whitney and Rolls-Royce. These extensive manufacturer relationships and the scale of our business enable us to place large orders with favorable terms and conditions, including pricing and delivery terms. In addition, these strategic relationships with manufacturers and market knowledge allow us to participate in new aircraft designs, which gives us increased confidence in our airframe and engine selections. AerCap cooperates broadly with manufacturers seeking mutually beneficial opportunities, including additional orders, purchasing selective new aircraft on short notice, and facilitating manufacturer targets by purchasing used aircraft from airlines seeking to renew their fleets.

Competition

The aircraft leasing and sales business is highly competitive. We face competition from aircraft manufacturers, financial institutions, other leasing companies, aircraft brokers and airlines. Competition for a leasing transaction is based on a number of factors, including delivery dates, lease rates, term of lease, other lease provisions, aircraft condition and the availability in the market place of the types of aircraft that can meet customer requirements. As a result of our geographical reach, diverse aircraft portfolio and success in remarketing our aircraft, we believe we are a strong competitor in all of these areas. Our primary competitor is GE Capital Aviation Services, and we compete, to a lesser extent, with a number of smaller aircraft leasing companies.

Insurance

Our lessees are required under our leases to bear responsibility, through an operational indemnity subject to customary exclusions, and to carry insurance for any liabilities arising out of the operation of our aircraft or engines, including any liabilities for death or injury to persons and damage to property that ordinarily would attach to the operator of the aircraft.

In addition, our lessees are required to carry other types of insurance that are customary in the air transportation industry, including hull all risks insurance for both the aircraft and each engine whether or not installed on our aircraft, hull war risks insurance covering risks such as hijacking and terrorism and, where permitted, including confiscation, expropriation, nationalization and seizure (in each case at a value stipulated in the relevant lease which typically exceeds the net book value by 10%, subject to adjustment or fleet aggregate limits in certain circumstances). Our lessees are also required to carry aircraft spares insurance and aircraft third party liability insurance, in each case subject to customary deductibles and exclusions. We are named as an additional insured on liability insurance policies carried by our lessees, and we or our lenders are designated as a loss payee in the event of a total loss of the aircraft or engine. We monitor the compliance by our lessees with the insurance provisions of our leases by securing confirmation of coverage from the lessees' insurance brokers.

We also purchase insurance which provides us with coverage when our aircraft or engines are not subject to a lease or where a lessee's policy fails to indemnify us. In addition, we carry customary insurance for our property, which is subject to customary deductibles and exclusions. Insurance experts advise and make recommendations to us as to the appropriate amount of insurance coverage that we should obtain.

Regulation

While the air transportation industry is highly regulated, since we do not operate aircraft, we generally are not directly subject to most of these regulations. Our lessees are subject, however, to extensive regulation under the laws of the jurisdictions in which they are registered and in which they operate. These regulations, among other things, govern the registration, operation and maintenance of our aircraft and engines. Most of our aircraft are registered in the jurisdiction in which the lessee of the aircraft is certified as an air operator. Both our aircraft and engines are subject to the airworthiness and other standards imposed by our lessees' jurisdictions of operation. Laws affecting the airworthiness of aviation assets are generally designed to ensure that all aircraft, engines and related equipment are continuously maintained in proper condition to enable safe operation of the aircraft. Most countries' aviation laws require aircraft and engines to be maintained under an approved maintenance program having defined procedures and intervals for inspection, maintenance and repair.

In addition, under our leases, we may be required in some instances to obtain specific licenses, consents or approvals for different aspects of the leases. These required items include consents from governmental or regulatory authorities for certain payments under the leases and for the import, re-export or deregistration of the aircraft and engines. Also, to perform some of our cash management services and insurance services from Ireland under our management arrangements with our joint ventures and securitization entities, we are required to have a license from the Irish regulatory authorities, which we have obtained.

Please refer to "Item 3—Risk Factors—Risks related to our business—We are subject to various risks and requirements associated with transacting business in many countries," "Item 3—Risk Factors—Risks related to our business—Our ability to operate in some countries is restricted by foreign regulations and controls on investments," "Item 3—Risk Factors—Risks related to our business—Our aircraft are subject to various environmental regulations," and "Item 3—Risk Factors—Risks related to our business—Our operations are subject to various environmental regulations" for a detailed discussion of government sanctions, export controls and other regulations that could affect our business.

Litigation

Please refer to Note 29—*Commitments and contingencies* to our Consolidated Financial Statements included in this annual report for a detailed description of material litigation to which we are a party.

Trademarks

We have registered the "AerCap" name with the European Union Intellectual Property Office ("EUIPO") and the United States Patent and Trademark Office ("USPTO"), as well as filed the "AerCap" trademark with the World Intellectual Property Organization International (Madrid) Registry ("WIPO") and various local trademark authorities. The "AeroTurbine" trademark has been registered with WIPO and USPTO.

Culture and values

At AerCap, we strive to conduct our business with integrity and in an honest and responsible manner and to build and maintain long-term, mutually beneficial relationships with our customers, suppliers, shareholders, employees and other stakeholders. We shall similarly respect the legitimate interests of those with whom we have relationships. In our business dealings we expect our partners to adhere to business principles consistent with our own. These values are further specified in our code of conduct and our ethics-related compliance policies, procedures, trainings and programs. Ethical behavior is strongly promoted by the management team. The Company has an excellent track record in relation to ethics and compliance. These ethical values are reflected in the Company's long-term strategy and our way of doing business.

Sustainability and community

During 2017, the Board discussed and reviewed our approach to corporate social responsibility ("CSR") related topics and other values that contribute to a culture focused on long-term value creation. Renewing our aircraft portfolio through the acquisition of new, modern technology aircraft while disposing of older aircraft has a positive impact on the environment, as these new technology aircraft are more fuel-efficient and generate significantly less pollution and noise than older aircraft and engines. AerCap is committed to the efficient use of resources and the reduction of unnecessary waste. Our head office in Dublin has been certified for sustainability pertaining to such matters as building materials, energy and water use and accessibility. Our office buildings in Los Angeles and Singapore hold similar green building certifications.

AerCap participates in a number of charitable events and industry related educational schemes. We have established a CSR Steering Committee to oversee the selection of charitable themes and charity partners, and the implementation of charitable donations. A number of charitable donations involve the matching of funds raised through AerCap employee team efforts for the benefit of local community projects. The Company, along with other major aircraft leasing companies, is a sponsor of a prestigious master's in aviation finance program at a renowned university. In addition to the sponsorship, this program involves lectures by some of our key employees and internships provided by the Company to a number of international students from the program, in line with the global nature and identity of the Company and our business.

Flight equipment

Aircraft portfolio

The following table presents our aircraft portfolio by type of aircraft as of December 31, 2017:

Aircraft type	Number of owned aircraft	Percentage of total net book value	Number of managed aircraft	Number of on order aircraft	Total owned, managed and on order aircraft
Airbus A320 Family	370	21%	52	—	422
Airbus A320neo Family	48	7%	—	222	270
Airbus A330	83	11%	10	—	93
Airbus A350	17	7%	—	9	26
Boeing 737NG	274	22%	43	—	317
Boeing 737MAX	—	—	—	104	104
Boeing 767	34	1%	—	—	34
Boeing 777-200ER	23	2%	2	—	25
Boeing 777-300/300ER	29	6%	2	—	31
Boeing 787	63	22%	—	53	116
Embraer E190/195-E2	—	—	—	50	50
Other	39	1%	4	—	43
Total	**980**	**100%**	**113**	**438**	**1,531**

During the year ended December 31, 2017, we had the following activity related to flight equipment:

	Held for operating leases	Net investment in finance and sales-type leases	Held for sale	Total owned aircraft	
Number of owned aircraft at beginning of period	966	50	6	1,022	
Aircraft purchases	58	—	—	58	
Aircraft reclassified to held for sale	(69)	(1)	70	—	
Aircraft reclassified from held for sale	3	—	(3)	—	
Aircraft sold or designated for part-out	(44)	(1)	(55)	(100)	(a)
Aircraft reclassified to net investment in finance and sales-type leases	(19)	19	—	—	
Number of owned aircraft at end of period	**895**	**67**	**18**	**980**	

(a) Includes one aircraft that was reclassified to spare inventory.

Aircraft on order

The following table details the number of aircraft on order as of December 31, 2017:

Aircraft type	2018	2019	2020	2021	2022	Thereafter	Total
Airbus A320neo Family	53	42	47	30	25	25	222
Airbus A350	7	2	—	—	—	—	9
Boeing 737MAX	5	17	27	28	27	—	104
Boeing 787	13	14	5	6	6	9	53
Embraer E190/195-E2	1	14	14	14	7	—	50
Total	**79**	**89**	**93**	**78**	**65**	**34**	**438**

Aircraft acquisitions and dispositions

We purchase new and used aircraft directly from aircraft manufacturers, airlines, financial investors and other aircraft leasing and finance companies. The aircraft we purchase are both on-lease and off-lease, depending on market conditions and the composition of our portfolio. The buyers of our aircraft include airlines, financial investors and other aircraft leasing companies. We acquire aircraft at attractive prices in three primary ways: by purchasing large quantities of aircraft directly from manufacturers to take advantage of volume discounts, by purchasing portfolios consisting of aircraft of varying types and ages and by entering into purchase and leaseback transactions with airlines. In addition, we also opportunistically purchase individual aircraft that we believe are being sold at attractive prices, or that we expect will experience an increase in demand. Through our airline marketing team, which is in frequent contact with airlines worldwide, we are also able to identify attractive acquisition and disposition opportunities. We sell aircraft when we believe the market price for the type of aircraft has reached its peak, or to rebalance the composition of our portfolio.

Prior to a purchase or disposition, our dedicated portfolio management group analyzes the aircraft's price, fit in our portfolio, specification and configuration, maintenance history and condition, the existing lease terms, financial condition and creditworthiness of the existing lessee, the jurisdiction of the lessee, industry trends, financing arrangements and the aircraft's redeployment potential and value, among other factors. During the year ended December 31, 2017, we purchased 58 new aircraft and sold 99 aircraft from our owned portfolio.

Facilities

We lease our Dublin, Ireland headquarters office facility under a 25-year lease (61,000 square feet) that began in December 2015. We have an option to terminate the lease in 2031. We lease our Shannon, Ireland office facility (21,000 square feet) under three separate leases that expire in 2029 with options to terminate in 2024. We occupy space in Los Angeles, California (21,000 square feet) under a lease that expires in August 2025. We lease our Singapore office facility under two leases that expire in December 2018 (17,000 square feet). We lease office facilities in Amsterdam, The Netherlands and Fort Lauderdale, Florida under leases that expire in 2018 and 2019, respectively, which are not planned to be extended. In addition to the above facilities, we also lease small offices in New York, New York, Miami, Florida, Shanghai, China and Abu Dhabi, United Arab Emirates.

Organizational structure

AerCap Holdings N.V. is a holding company that holds directly and indirectly consolidated subsidiaries, which in turn own our aircraft assets. As of December 31, 2017, AerCap Holdings N.V. did not own significant assets other than its direct and indirect investments in its subsidiaries. As of December 31, 2017, our major operating subsidiaries, each of which is ultimately 100%-owned by AerCap Holdings N.V., are AerCap Ireland Limited (Ireland) and AerCap Global Aviation Trust (United States). See Exhibit 8.1— *List of Subsidiaries of AerCap Holdings N.V.* for a complete list of all our subsidiaries.

Item 4A. Unresolved Staff Comments

Not applicable.

Item 5. Operating and Financial Review and Prospects

You should read this discussion in conjunction with our audited Consolidated Financial Statements and the related notes included in this annual report. Our financial statements are presented in accordance with accounting principles generally accepted in the United States of America, or U.S. GAAP. The discussion below contains forward looking statements that are based upon our current expectations and are subject to uncertainty and changes of circumstances. See "Item 3. Key Information—Risk Factors" and "Special Note About Forward Looking Statements."

Overview

Net income attributable to AerCap Holdings N.V. for the year ended December 31, 2017 was $1,076.2 million, as compared to $1,046.6 million for the year ended December 31, 2016. For the year ended December 31, 2017, diluted earnings per share was $6.43 and the weighted average number of diluted shares outstanding was 167,287,508. Net interest margin, or net spread, the difference between basic lease rents and interest expense, excluding the mark-to-market of interest rate caps and swaps, was $3,096.0 million for the year ended December 31, 2017. Please refer to "Item 5. Operating and Financial Review and Prospects—Non-GAAP measures" for a reconciliation of net interest margin, or net spread, to the most closely related U.S. GAAP measure for the years ended December 31, 2017 and 2016.

Major developments in 2017

- In January 2017, AerCap executed the placement of 20 new Airbus A320neo aircraft with Chinese carrier Loong Air.
- In January 2017, AerCap Trust and AICDC co-issued $600 million aggregate principal amount of 3.50% senior unsecured notes due 2022.
- In February 2017, AerCap was upgraded to investment grade rating by Moody's, resulting in AerCap having investment grade ratings from all three major rating agencies.
- In February 2017, AerCap's Board of Directors approved a new $350 million share repurchase program. This share repurchase program was completed on June 12, 2017.
- In May 2017, AerCap's Board of Directors approved a new $300 million share repurchase program. This share repurchase program was completed on September 26, 2017.
- In June 2017, AerCap and Boeing announced an order for 30 Boeing 787-9 Dreamliners, making AerCap the largest customer for the 787 Dreamliner.
- In July 2017, AerCap executed the placement of ten Airbus A321neo LR aircraft to North American carrier Air Transat. The airline will become the first North American operator of the Airbus A321neo LR when the aircraft enter into service starting in 2019.
- In July 2017, AerCap Trust and AICDC co-issued $1.0 billion aggregate principal amount of 3.65% senior unsecured notes due 2027.
- In July 2017, AerCap's Board of Directors approved a new $250 million share repurchase program. This share repurchase program was completed on December 14, 2017.
- In August 2017, AerCap executed the placement of five Embraer E190-E2 Jets to Air Astana, the national carrier of Kazakhstan.
- In October 2017, AerCap's Board of Directors approved a new $200 million share repurchase program. This share repurchase program was completed on February 21, 2018.
- In November 2017, AerCap and Egyptian carrier EgyptAir reached agreement on the placement of 15 Airbus A320neo aircraft and six Boeing 787-9 aircraft.
- In November 2017, AerCap Trust and AICDC co-issued $800 million aggregate principal amount of 3.50% senior unsecured notes due 2025.
- In December 2017, AerCap exercised options to purchase 50 Airbus A320neo Family aircraft from Airbus, with deliveries starting from 2022.
- In December 2017, AerCap announced an agreement to invest in Peregrine, a vehicle established by NCB Capital for the purpose of acquiring a portfolio of 21 aircraft from AerCap. AerCap will have a 9.5% investment in Peregrine.
- During 2017, AerCap executed aggregate sales of approximately $2.4 billion of older and mid-life aircraft.

Aviation assets

During the year ended December 31, 2017, we acquired $5.3 billion of aviation assets, primarily related to the acquisition of 58 aircraft. As of December 31, 2017, we owned 980 aircraft and we managed 113 aircraft. As of December 31, 2017, we also had 438 new aircraft on order, which included 222 Airbus A320neo Family aircraft, 104 Boeing 737MAX aircraft, 53 Boeing 787 aircraft, 50 Embraer E-Jets E2 aircraft, and nine Airbus A350 aircraft. The average age of our fleet of 980 owned aircraft, weighted by net book value, was 6.8 years as of December 31, 2017.

Significant components of revenues and expenses

Revenues and other income

Our revenues and other income consist primarily of lease revenue from aircraft leases, net gain on sale of assets and other income.

Lease revenue

Nearly all of our aircraft lease agreements provide for the periodic payment of a fixed or a floating amount of rent. Floating rents are tied to interest rates during the terms of the respective leases. During the year ended December 31, 2017, approximately 4.9% of our basic lease rents from aircraft under operating leases was attributable to leases tied to floating interest rates. In limited circumstances, our leases may require a basic rental payment based partially or exclusively on the amount of usage during a period. In addition, our leases require the payment of supplemental maintenance rent based on aircraft utilization during the lease term, or EOL compensation calculated with reference to the condition of the aircraft at lease expiration. The amount of lease revenue we recognize is primarily influenced by the following five factors:

- the contracted lease rate, which is highly dependent on the age, condition and type of the leased aircraft;
- for leases with rates tied to floating interest rates, interest rates during the term of the lease;
- the number of aircraft currently subject to lease contracts;
- the lessee's performance of its lease obligations; and
- the amount of EOL compensation payments we receive and the amount of accrued maintenance liabilities recognized as revenue during and at the end of a lease.

In addition to aircraft-specific factors such as the type, condition and age of the aircraft, the lease rates for our leases with fixed rental payments are initially determined in part by reference to the prevailing interest rate for a debt instrument with a term similar to the lease term and with a similar credit quality as the lessee at the time we enter into the lease. Many of the factors described above are influenced by global and regional economic trends, airline market conditions, the supply and demand balance for the type of aircraft we own and our ability to remarket our aircraft subject to expiring lease contracts under favorable economic terms.

As of December 31, 2017, 954 of our 980 owned aircraft were on lease to 173 customers in 73 countries, with no lessee accounting for more than 10% of total lease revenue for the year ended December 31, 2017. As of December 31, 2017, our owned aircraft portfolio included 26 aircraft that were off-lease; all of these off-lease aircraft were classified as held for operating leases. As of March 2, 2018, 23 of the off-lease aircraft were re-leased or under commitments for re-lease and three aircraft were designated for sale or part-out.

Net gain on sale of assets

Our net gain on sale of assets is generated from the sale of our aircraft and engines and is largely dependent on the condition of the asset being sold, prevailing interest rates, airline market conditions and the supply and demand balance for the type of asset we are selling. The timing of aircraft and engine sale closings is often uncertain, as a sale may be concluded swiftly or negotiations may extend over several weeks or months. As a result, even if net gain on sale of assets is comparable over a long period of time, during any particular reporting period we may close significantly more or fewer sale transactions than in other reporting periods. Accordingly, net gain on sale of assets recorded in one reporting period may not be comparable to net gain on sale of assets in other reporting periods.

Other income

Other income consists of interest revenue, management fee revenue, lease termination penalties, inventory part sales, net gain on sale of equity investments accounted for under the equity method, insurance proceeds, and other miscellaneous activities.

Our interest revenue is derived primarily from interest on unrestricted and restricted cash balances and on financial instruments we hold, such as subordinated debt investments in unconsolidated securitization vehicles or affiliates. The amount of interest revenue we recognize in any period is influenced by our unrestricted or restricted cash balances, the principal balance of financial instruments we hold, contracted or effective interest rates, and movements in provisions for financial instruments which can affect adjustments to valuations or provisions.

We generate management fee revenue by providing management services to non-consolidated aircraft securitization vehicles, joint ventures, and other third parties. Our management services include aircraft asset management services, such as leasing and remarketing services and technical advisory services, cash management and treasury services, and accounting and administrative services.

Operating expenses

Our operating expenses consist primarily of depreciation and amortization, interest expense, leasing expenses and selling, general and administrative expenses.

Depreciation and amortization

Our depreciation expense is influenced by the adjusted gross book values, depreciable lives and estimated residual values of our flight equipment. Adjusted gross book value is the original cost of our flight equipment, including purchase expenditures, adjusted for subsequent capitalized improvements, impairments and accounting basis adjustments associated with a business combination or a purchase and leaseback transaction. In addition, we have definite-lived intangible assets which are amortized over the period which we expect to derive economic benefits from such assets.

Interest expense

Our interest expense arises from a variety of debt funding structures and related derivative financial instruments as described in "Item 11—Quantitative and Qualitative Disclosures About Market Risk," Note 12—*Derivative assets* and Note 15—*Debt* to our Consolidated Financial Statements included in this annual report. Interest expense in any period is primarily affected by contracted interest rates, amortization of fair value adjustments, amortization of debt issuance costs and debt discounts, principal amounts of indebtedness and unrealized mark-to-market gains or losses on derivative financial instruments for which we did not achieve cash flow hedge accounting treatment.

Leasing expenses

Our leasing expenses consist primarily of maintenance rights intangible asset amortization expense, maintenance expenses on our flight equipment, which we incur during the lease through lessor maintenance contributions or when we perform maintenance on our off-lease aircraft, technical expenses we incur to monitor the maintenance condition of our flight equipment during a lease, expenses to transition flight equipment from an expired lease to a new lease contract, non-capitalizable flight equipment transaction expenses, and provision for credit losses on notes receivables, trade receivables and receivables from net investment in finance and sales-type leases.

Maintenance rights intangible assets are recognized when we acquire aircraft subject to existing leases. These intangible assets represent the contractual right to receive the aircraft in a specified maintenance condition at the end of the lease under EOL contracts or our right to receive an aircraft in better maintenance condition due to our obligation to contribute towards the cost of the maintenance events performed by the lessee either through reimbursement of maintenance deposit rents held under MR contracts, or through a lessor contribution to the lessee.

For EOL contracts, upon lease termination, we recognize receipts of EOL cash compensation as lease revenue in our Consolidated Income Statements to the extent those receipts exceed the EOL contract maintenance rights intangible asset and we recognize leasing expenses in our Consolidated Income Statements when the EOL contract maintenance rights intangible asset exceeds the EOL cash receipts. For MR contracts, we recognize maintenance rights expense at the time the lessee submits a reimbursement claim and provides the required documentation related to the cost of a qualifying maintenance event that relates to pre-acquisition usage.

Selling, general and administrative expenses

Our selling, general and administrative expenses consist primarily of personnel expenses, including salaries, benefits and severance compensation, share-based compensation expense, professional and advisory costs, office facility expenses and travel expenses as summarized in Note 21—*Selling, general and administrative expenses* to our Consolidated Financial Statements included in this annual report. The level of our selling, general and administrative expenses is influenced primarily by the number of our employees and the extent of transactions or ventures we pursue that require the assistance of outside professionals or advisors.

Provision for income taxes

Our operations are taxable primarily in the three main jurisdictions in which we manage our business: Ireland, the United States and the Netherlands. Deferred income taxes are provided to reflect the impact of temporary differences between our U.S. GAAP income before income taxes and our taxable income. Our effective tax rate has varied from year to year. The primary source of temporary differences is the availability of accelerated tax depreciation in our primary operating jurisdictions. Our effective tax rate in any year depends on the tax rates in the jurisdictions from which our income is derived, along with the extent of permanent differences between U.S. GAAP income before income taxes and taxable income.

We have tax losses in certain jurisdictions that can be carried forward, which we recognize as deferred income tax assets. We evaluate the recoverability of deferred income tax assets in each jurisdiction in each period based upon our estimates of future taxable income in these jurisdictions. If we determine that we are not likely to generate sufficient taxable income in a jurisdiction prior to expiration, if any, of the availability of tax losses, we establish a valuation allowance against the tax loss to reduce the deferred income tax asset to its recoverable value. We evaluate the appropriate level of valuation allowances annually and make adjustments as necessary. Increases or decreases to valuation allowances can affect our provision for income taxes in our Consolidated Income Statements and consequently may affect our effective tax rate in a given year.

Factors affecting our results

Our results of operations have also been affected by a variety of other factors, primarily:

- the number, type, age and condition of the aircraft we own;
- aviation industry market conditions, including general economic and political conditions;
- the demand for our aircraft and the resulting lease rates we are able to obtain for our aircraft;
- the availability and cost of debt capital to finance purchases of aircraft and aviation assets;
- the purchase price we pay for our aircraft;
- the number, type and sale price of aircraft, or parts in the event of a part-out of an aircraft, we sell in a period;
- the ability of our lessees to meet their lease obligations and maintain our aircraft in airworthy and marketable condition;
- the utilization rate of our aircraft;
- the recognition of non-cash share-based compensation expense related to the issuance of restricted stock units or restricted stock;
- our expectations of future maintenance reimbursements and lessee maintenance contributions;
- interest rates, which affect our aircraft lease revenues, our interest expense and the market value of our interest rate derivatives; and
- our ability to fund our business.

Factors affecting the comparability of our results

Share repurchases

During 2017, our Board of Directors authorized total repurchases of up to $1.1 billion of AerCap ordinary shares and we repurchased an aggregate of 23,732,835 of our ordinary shares under our share repurchase programs at an average price, including commissions, of $47.39 per ordinary share, for approximately $1.1 billion.

During 2016, our Board of Directors authorized total repurchases of up to $1.15 billion of AerCap ordinary shares and we repurchased an aggregate of 25,012,978 of our ordinary shares under our share repurchase programs at an average price, including commissions, of $38.62 per ordinary share, for approximately $966.0 million.

Sales transactions

During 2017, AerCap executed aggregate sales of approximately $2.4 billion of older and mid-life aircraft.

During 2016, AerCap executed aggregate sales of approximately $3.0 billion of older and mid-life aircraft.

Trends in our business

Global demand for air travel remains strong. Overall global air passenger traffic, measured in revenue passenger kilometers, grew 7.6% in 2017, according to IATA. Traffic growth was 8.2% in Europe, 4.2% in North America, and 10.1% in Asia Pacific in 2017, propelled again by strong 13.3% domestic growth in China and 17.5% domestic traffic growth in India. The demand stimulus from lower airfares is expected to fade during 2018, with traffic growth forecast to slow to 6% in 2018, according to IATA. This remains above the ten-year average of 5.5% and is still expected to translate into robust growth in large, developed markets, such as the U.S. and Europe, as well as continued rapid expansion in emerging markets where the middle class continues to expand.

The industry is expected to remain solidly profitable and is expected to record a net profit of $38.4 billion in 2018, the ninth year in a row of aggregate airline profitability.

Passenger air traffic growth and airlines' continued profitability have driven steady demand for commercial passenger aircraft from airlines, including demand for leased aircraft. We expect that demand for leased aircraft will remain strong as robust traffic growth continues to drive demand for additional aircraft.

Critical accounting policies and estimates

Our Consolidated Financial Statements are prepared in accordance with U.S. GAAP, and require us to make estimates and assumptions that affect the amounts reported in our Consolidated Financial Statements and accompanying notes. The use of estimates is or could be a significant factor affecting the reported amounts of assets, liabilities, revenues, expenses, and related disclosures of contingent assets and liabilities. We evaluate our estimates and assumptions, including those related to flight equipment, inventory, lease revenue, fair value estimates, and income taxes, on a recurring and non-recurring basis. Our estimates and assumptions are based on historical experiences and currently available information that management believes to be reasonable under the circumstances. Actual results may differ from our estimates under different conditions, sometimes materially. A summary of our significant accounting policies is presented in Note 3—*Summary of significant accounting policies* to our Consolidated Financial Statements included in this annual report. Critical accounting policies and estimates are defined as those that are both most important to the portrayal of our financial condition and results of operations and that require our judgments, estimates and assumptions. Our critical accounting policies and estimates are described below.

Flight equipment held for operating leases, net

Flight equipment held for operating leases is stated at cost less accumulated depreciation and impairment. Flight equipment is depreciated to its estimated residual value on a straight-line basis over the useful life of the aircraft, which is generally 25 years from the date of manufacture, or a different period depending on the disposition strategy. The costs of improvements to flight equipment are normally recorded as leasing expenses unless the improvement increases the long-term value or extends the useful life of the flight equipment. The capitalized improvement cost is depreciated over the estimated remaining useful life of the aircraft. The residual value of our flight equipment is generally 15% of estimated industry standard price, except where more relevant information indicates a different residual value is more appropriate.

We periodically review the estimated useful lives and residual values of our flight equipment based on our knowledge of the industry, external factors, such as current market conditions, and changes in our disposition strategies, to determine if they are appropriate, and record adjustments to depreciation rates prospectively on an aircraft by aircraft basis, as necessary.

Impairment charges

On a quarterly basis, we perform recoverability assessments of our long-lived assets when events or changes in circumstances indicate that the carrying value of such assets may not be recoverable, such as when events or changes in circumstances indicate that it is more likely than not that an aircraft will be sold or parted-out a significant amount of time before the end of its previously estimated useful life. Due to the significant uncertainties associated with potential sales transactions, management uses its judgment to evaluate whether a sale or other disposal is more likely than not. The factors that management considers in its assessment include *(i)* the progress of the potential sales transactions through a review and evaluation of the sales related documents and other communications, including, but not limited to, letters of intent or sales agreements that have been negotiated or executed; *(ii)* our general or specific fleet strategies and other business needs and how those requirements bear on the likelihood of sale or other disposal; and *(iii)* the evaluation of potential execution risks, including the source of potential purchaser funding and other execution risks.

On an annual basis, we perform impairment assessments for all of our aircraft held for operating leases that are five years of age or older. The review of recoverability includes an assessment of the estimated future cash flows associated with the use of the asset and its eventual disposal. The assets are grouped at the lowest level for which identifiable cash flows are largely independent of other groups of assets, which includes the individual aircraft and the lease-related assets and liabilities of that aircraft (the "Asset Group"). If the sum of the expected undiscounted future cash flows is less than the aggregate net book value of the Asset Group, an impairment loss is recognized. The loss is measured as the excess of the carrying amount of the impaired aircraft over its estimated fair value. Fair value reflects the present value of future cash flows expected to be generated from the aircraft, including its expected residual value, discounted at a rate commensurate with the associated risk. Future cash flows are assumed to occur under current market conditions and assume adequate time for a sale between a willing buyer and a willing seller. Expected future lease rates are based on all relevant information available, including current contracted rates for similar aircraft and industry trends.

The future cash flows supporting the carrying value of aircraft that are 15 years of age or older are more dependent upon current lease contracts, and these leases are generally more sensitive to weaknesses in the global economic environment. Deterioration of the global economic environment and a decrease in aircraft values might have a negative effect on the undiscounted cash flows of older aircraft and might trigger impairments. As of December 31, 2017, we owned 895 aircraft held for operating leases, of which 173 aircraft were 15 years of age or older. As of December 31, 2017, the aggregate Asset Group for the 173 aircraft was $1.9 billion, which represented approximately 6% of our total flight equipment and lease-related assets and liabilities. The undiscounted future cash flows of these 173 aircraft were estimated at $3.3 billion, which was 76% in excess of the aggregate carrying value. As of December 31, 2017, all of these aircraft passed the recoverability test, with undiscounted cash flows exceeding the carrying value of the Asset Group by between 0% and over 3,000%. The following assumptions drive the undiscounted cash flows: contracted lease rents through current lease expiry; subsequent re-lease rates based on current marketing information; and residual values. We review and stress-test our key assumptions to reflect any observed weakness in the global economic environment.

Aircraft that are between five and 15 years of age where future cash flows do not exceed the aircraft carrying value by at least 10% are more susceptible to impairment risk. As of December 31, 2017, the aggregate Asset Group for one aircraft for which the cash flows did not substantially exceed our 10% threshold was $21.6 million, which represented less than 1% of our total flight equipment held for operating leases and lease-related assets and liabilities. The one aircraft that was below the 10% threshold did, however, pass the impairment test as of December 31, 2017, and as such no impairment was recognized.

Guarantees

We have potential obligations under guarantee contracts that we have entered into with third parties. See Note 29—*Commitments and contingencies*. We initially recognize guarantees at fair value. Subsequently, if it becomes probable that we will be required to perform under a guarantee, we accrue a liability based on an estimate of the loss we will incur to perform under the guarantee. The loss estimate is generally measured as the amount by which the contractual guaranteed value exceeds the fair market value or future lease cash flows of the underlying aircraft.

Inventory

Inventory consists primarily of engine and airframe components and piece parts and is included in other assets in our Consolidated Balance Sheets. We value our inventory at the lower of cost and net realizable value. Generally, inventory that is held for more than four years is considered excess inventory and its carrying value is reduced to zero.

Revenues and other income

We lease flight equipment principally under operating leases and recognize rental income on a straight-line basis over the life of the lease. At lease inception, we review all necessary criteria to determine proper lease classification. We account for lease agreements that include uneven rental payments on a straight line-basis. The difference between rental revenue recognized and cash received is included in our Consolidated Balance Sheets in other assets or, in the event it is a liability, in accounts payable, accrued expenses and other liabilities. In certain cases, leases provide for rentals contingent on usage. The usage may be calculated based on hourly usage or on the number of cycles operated, depending on the lease contract. Revenue contingent on usage is recognized at the time the lessee reports the usage to us. We cease revenue recognition on a lease contract when the collectability of such rentals is no longer reasonably assured. For past-due rentals that exceed related security deposits held, which have been recognized as revenue, we establish provisions on the basis of management's assessment of collectability. Such provisions are recorded in leasing expenses in our Consolidated Income Statements.

Revenue from net investment in finance and sales-type leases is recognized using the interest method to produce a constant yield over the life of the lease and is included in lease revenue in our Consolidated Income Statements. Expected unguaranteed residual values of leased flight equipment are based on our assessment of the values of the leased flight equipment at expiration of the lease terms.

Under our aircraft leases, the lessee is responsible for maintenance, repairs and other operating expenses during the term of the lease. Under the provisions of many of our leases, the lessee is required to make payments of supplemental maintenance rents which are calculated with reference to the utilization of the airframe, engines and other major life-limited components during the lease. We record as lease revenue all supplemental maintenance rent receipts not expected to be reimbursed to lessees. We estimate the total amount of maintenance reimbursements for the entire lease and only record revenue after we have received sufficient maintenance rents under a particular lease to cover the total amount of estimated maintenance reimbursements during the remaining lease term.

In most lease contracts not requiring the payment of supplemental maintenance rents, and to the extent that the aircraft is redelivered in a different condition than at acceptance, we generally receive EOL cash compensation for the difference at redelivery. Upon lease termination, we recognize receipts of EOL cash compensation as lease revenue in our Consolidated Income Statements to the extent those receipts exceed the EOL contract maintenance rights intangible asset and we recognize leasing expenses in our Consolidated Income Statements when the EOL contract maintenance rights intangible asset exceeds the EOL cash receipts.

When flight equipment is sold, the portion of the accrued maintenance liability not specifically assigned to the buyer is released net of any maintenance rights intangible asset balance and is included in net gain on sale of assets in our Consolidated Income Statements.

Consolidation

We consolidate all companies in which we have direct and indirect legal or effective control and all VIEs for which we are deemed the PB and have control under ASC 810. All intercompany balances and transactions with consolidated subsidiaries have been eliminated. The results of consolidated entities are included from the effective date of control or, in the case of VIEs, from the date that we are or become the PB. The results of subsidiaries sold or otherwise deconsolidated are excluded from the date that we cease to control the subsidiary or, in the case of VIEs, when we cease to be the PB.

Deferred income tax assets and liabilities

We report deferred income taxes resulting from the temporary differences between the book values and the tax values of assets and liabilities using the liability method. The differences are calculated at nominal value using the enacted tax rate applicable at the time the temporary difference is expected to reverse. Deferred income tax assets attributable to unutilized losses carried forward or other timing differences are reduced by a valuation allowance if it is more likely than not that such losses will not be utilized to offset future taxable income.

Future application of accounting standards

Revenue from contracts with customers

In May 2014, the FASB issued an accounting standard that provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. This guidance does not apply to lease contracts with customers. The standard will require an entity to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This update creates a five-step model that requires entities to exercise judgment when considering the terms of the contract including *(i)* identifying the contract with the customer; *(ii)* identifying the separate performance obligations in the contract; *(iii)* determining the transaction price; *(iv)* allocating the transaction price to the separate performance obligations; and *(v)* recognizing revenue when each performance obligation is satisfied.

This standard is effective for fiscal years beginning after December 15, 2017 and may be adopted using either a full retrospective or modified retrospective method. We will adopt the standard on its required effective date of January 1, 2018, using the modified retrospective method. The impact of this standard will not be material to our Consolidated Financial Statements and related disclosures.

Lease accounting

In February 2016, the FASB issued an accounting standard that requires lessees to recognize lease-related assets and liabilities on the balance sheet, other than leases that meet the definition of a short-term lease. In certain circumstances, the lessee is required to remeasure the lease payments. Qualitative and quantitative disclosures, including significant judgments made by management, will be required to provide insight into the extent of revenue and expense recognized and expected to be recognized from existing contracts. Under the new standard, lessor accounting remains similar to the current model. The new standard will be effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early adoption is permitted. The new standard must be adopted using the modified retrospective transition approach. We will adopt the standard on its required effective date of January 1, 2019. We do not expect the impact of this standard to be material to our Consolidated Balance Sheets and Consolidated Income Statements.

Allowance for credit losses

In June 2016, the FASB issued an accounting standard that requires entities to estimate lifetime expected credit losses for most financial assets measured at amortized cost and certain other instruments, including trade and other receivables, net investments in leases and off-balance sheet credit exposures. The standard also requires additional disclosure, including how the entity develops its allowance for credit losses for financial assets measured at amortized cost and disaggregated information on the credit quality of net investments in leases measured at amortized cost by year of the asset's origination for up to five annual periods. The standard is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. Early adoption will be permitted in any interim or annual period beginning after December 15, 2018. The new standard must be adopted using the modified retrospective transition approach. We will adopt the standard on its required effective date of January 1, 2020. We are evaluating the effect the adoption of the standard will have on our Consolidated Balance Sheets and Consolidated Income Statements.

Statement of cash flows

In August 2016, the FASB issued an accounting standard that is intended to reduce diversity in practice in how certain transactions are classified in the statement of cash flows. The standard includes clarifications that *(i)* cash payments for debt prepayment or extinguishment costs must be classified as cash outflows for financing activities; *(ii)* cash proceeds from the settlement of insurance claims should be classified based on the nature of the loss; *(iii)* an entity is required to make an accounting policy election to classify distributions received from equity method investees under either the cumulative-earnings approach or the nature of distribution approach; and *(iv)* in the absence of specific guidance, an entity should classify each separately identifiable cash source and use on the basis of the underlying cash flows. The standard is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. The new standard must be adopted using the retrospective transition method. We will adopt the standard on its required effective date of January 1, 2018. The impact of this standard will not be material to our Consolidated Statements of Cash Flows.

Presentation of restricted cash in the statement of cash flows

In November 2016, the FASB issued an accounting standard that clarifies how entities should present restricted cash and restricted cash equivalents in the statement of cash flows. The standard requires entities to show the changes in the total of cash, cash equivalents, restricted cash and restricted cash equivalents in the statement of cash flows. The standard also requires a reconciliation of the totals in the statement of cash flows to the related captions in the balance sheet. The standard is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. The new standard must be adopted retrospectively. We will adopt the standard on its required effective date of January 1, 2018. The impact of this standard will not be material to our Consolidated Statements of Cash Flows.

Comparative results of operations

Results of operations for the year ended December 31, 2017 as compared to the year ended December 31, 2016

	Year Ended December 31,	
	2017	2016
	(U.S. Dollars in thousands)	
Revenues and other income		
Lease revenue	$ 4,713,802	$ 4,867,623
Net gain on sale of assets	229,093	138,522
Other income	94,598	145,986
Total Revenues and other income	**5,037,493**	**5,152,131**
Expenses		
Depreciation and amortization	1,727,296	1,791,336
Asset impairment	61,286	81,607
Interest expense	1,112,391	1,091,861
Leasing expenses	537,752	582,530
Restructuring related expenses	14,605	53,389
Selling, general and administrative expenses	348,291	351,012
Total Expenses	**3,801,621**	**3,951,735**
Income before income taxes and income of investments accounted for under the equity method	**1,235,872**	**1,200,396**
Provision for income taxes	(164,718)	(173,496)
Equity in net earnings of investments accounted for under the equity method	9,199	12,616
Net income	**$ 1,080,353**	**$ 1,039,516**
Net (income) loss attributable to non-controlling interest	(4,202)	7,114
Net income attributable to AerCap Holdings N.V.	**$ 1,076,151**	**$ 1,046,630**

Revenues and other income. The principal categories of our revenues and other income and their variances were as follows for the years ended December 31, 2017 and 2016:

	Year Ended December 31,		Increase/ (Decrease)	Percentage Difference
	2017	2016		
	(U.S. Dollars in millions)			
Lease revenue:				
Basic lease rents	$ 4,194.2	$ 4,395.3	$ (201.1)	(5)%
Maintenance rents and other receipts	519.6	472.3	47.3	10%
Net gain on sale of assets	229.1	138.5	90.6	65%
Other income	94.6	146.0	(51.4)	(35)%
Total Revenues and other income	**$ 5,037.5**	**$ 5,152.1**	**$ (114.6)**	**(2)%**

Basic lease rents. Basic lease rents decreased by $201.1 million, or 5%, to $4,194.2 million during the year ended December 31, 2017 from $4,395.3 million during the year ended December 31, 2016. The decrease in basic lease rents recognized during the year ended December 31, 2017 as compared to the year ended December 31, 2016 was attributable to:

- the sale of 222 aircraft between January 1, 2016 and December 31, 2017 with an aggregate net book value of $3.8 billion on their sale dates, resulting in a decrease in basic lease rents of $338.6 million; and

- a decrease in basic lease rents of $263.1 million primarily due to re-leases and extensions at lower rates and, to a lesser extent, the conversion of operating leases to finance leases. The accounting for the extensions requires the remaining rental payments to be recorded on a straight-line basis over the remaining term of the original lease plus the extension period. This results in a decrease in basic lease rents recognized as revenue during the remaining term of the original lease that will be offset by an increase in basic lease rents during the extension period. In addition, the contracted lease rates of extensions or re-leases of an aircraft tend to be lower than their previous lease rates as the aircraft are older, and older aircraft have lower lease rates than newer aircraft,

partially offset by

- the acquisition of 95 aircraft between January 1, 2016 and December 31, 2017, with an aggregate net book value of $9.1 billion on their acquisition dates, resulting in an increase in basic lease rents of $400.6 million.

Maintenance rents and other receipts. Maintenance rents and other receipts increased by $47.3 million, or 10%, to $519.6 million during the year ended December 31, 2017 from $472.3 million during the year ended December 31, 2016. The increase in maintenance rents and other receipts recognized during the year ended December 31, 2017 as compared to the year ended December 31, 2016 was attributable to:

- an increase of $31.2 million in regular maintenance rents, primarily due to higher EOL compensation received during the year ended December 31, 2017 as compared to the year ended December 31, 2016; and

- an increase of $16.1 million in maintenance revenue and other receipts from early lease terminations and restructurings during the year ended December 31, 2017 as compared to the year ended December 31, 2016.

Net gain on sale of assets. Net gain on sale of assets increased by $90.6 million, or 65%, to $229.1 million during the year ended December 31, 2017 from $138.5 million during the year ended December 31, 2016. During the year ended December 31, 2017, we sold 99 aircraft and reclassified 19 aircraft to net investment in finance and sales-type leases, whereas during the year ended December 31, 2016, we sold 124 aircraft and reclassified 19 aircraft to net investment in finance and sales-type leases. Net gain on sale of assets is impacted by the timing and composition of asset sales.

Other income. Other income decreased by $51.4 million, or 35%, to $94.6 million during the year ended December 31, 2017 from $146.0 million during the year ended December 31, 2016. During the year ended December 31, 2017, we recognized lower income from lease terminations and during the year ended December 31, 2016, we recognized non-recurring income from net insurance proceeds and a gain related to the prepayment of a note receivable earlier than expected, partially offset by an expense related to a lower of cost or market adjustment of AeroTurbine's parts inventory as a result of the AeroTurbine downsizing. Please refer to Note 22— *Other income* to our Consolidated Financial Statements included in this annual report for a detailed description of our other income.

Depreciation and amortization. Depreciation and amortization decreased by $64.0 million, or 4%, to $1,727.3 million during the year ended December 31, 2017 from $1,791.3 million during the year ended December 31, 2016. The decrease was primarily due to a reduction in the size of our aircraft portfolio due to aircraft sales.

Asset impairment. We recognized aggregate impairment charges of $61.3 million during the year ended December 31, 2017 as compared to $81.6 million during the year ended December 31, 2016. During the year ended December 31, 2017, we recognized impairment charges of $61.3 million on 13 aircraft and two engines. These impairments were more than offset by lease revenue that we recognized when we retained maintenance-related balances or received EOL compensation. During the year ended December 31, 2016, we recognized impairment charges of $81.6 million on 35 aircraft. These impairments were more than offset by lease revenue that we recognized when we retained maintenance-related balances or received EOL compensation. Please refer to Note 24—*Asset impairment* to our Consolidated Financial Statements included in this annual report for a detailed description of our asset impairment.

Interest expense. Our interest expense increased by $20.5 million, or 2%, to $1,112.4 million during the year ended December 31, 2017 from $1,091.9 million during the year ended December 31, 2016. The increase in interest expense was primarily attributable to:

- an increase in our average cost of debt to 3.9% for the year ended December 31, 2017 as compared to 3.7% for the year ended December 31, 2016. Our average cost of debt excludes the effect of mark-to-market movements on our interest rate caps and swaps. The increase in our average cost of debt was primarily due to the issuance of new longer-term bonds to replace shorter-term ILFC notes, which had lower reported interest expense as a result of the application of the acquisition method of accounting to the debt assumed as part of the ILFC Transaction. The increase in our average cost of debt resulted in a $53.3 million increase in our interest expense; and

- a $12.6 million increase in non-cash mark-to-market losses on derivatives to $14.2 million recognized during the year ended December 31, 2017 from $1.6 million recognized during the year ended December 31, 2016,

partially offset by

- a decrease in our average outstanding debt balance by $1.2 billion to $27.9 billion during the year ended December 31, 2017 from $29.1 billion during the year ended December 31, 2016, resulting in a $45.4 million decrease in our interest expense.

Leasing expenses. Our leasing expenses decreased by $44.8 million, or 8%, to $537.8 million during the year ended December 31, 2017 from $582.5 million during the year ended December 31, 2016. The decrease was primarily due to $33.8 million of lower maintenance rights intangible asset amortization and $19.9 million of lower aircraft transition costs, lessor maintenance contributions and other leasing expenses, partially offset by $8.9 million of higher expenses related to early lease terminations and restructurings, during the year ended December 31, 2017 as compared to the year ended December 31, 2016.

Restructuring related expenses. Our restructuring related expenses decreased by $38.8 million, or 73%, to $14.6 million during the year ended December 31, 2017 from $53.4 million during the year ended December 31, 2016. Our restructuring related expenses were related to the AeroTurbine downsizing. Please refer to Note 25—*AeroTurbine restructuring* to our Consolidated Financial Statements included in this annual report for further details on the AeroTurbine restructuring.

Selling, general and administrative expenses. Our selling, general and administrative expenses decreased by $2.7 million, or 1%, to $348.3 million during the year ended December 31, 2017 from $351.0 million during the year ended December 31, 2016.

Income before income taxes and income of investments accounted for under the equity method. For the reasons explained above, our income before income taxes and income of investments accounted for under the equity method increased by $35.5 million, or 3%, to $1,235.9 million during the year ended December 31, 2017 from $1,200.4 million during the year ended December 31, 2016.

Provision for income taxes. Our provision for income taxes decreased by $8.8 million, or 5%, to $164.7 million during the year ended December 31, 2017 from $173.5 million during the year ended December 31, 2016. Our effective tax rate was 13.3% for the year ended December 31, 2017 as compared to 14.5% for the year ended December 31, 2016. The effective tax rate in 2017 reflects our reassessment of our deferred tax assets and liabilities, including as a result of recent U.S. tax reform legislation. The higher effective tax rate in 2016 included a valuation allowance related to the AeroTurbine losses. The effective tax rate is impacted by the source and amount of earnings among our different tax jurisdictions. Please refer to Note 16—*Income taxes* to our Consolidated Financial Statements included in this annual report for a detailed description of our income taxes.

Equity in net earnings of investments accounted for under the equity method. Our equity in net earnings of investments accounted for under the equity method was $9.2 million during the year ended December 31, 2017 as compared to $12.6 million during the year ended December 31, 2016.

Net income. For the reasons explained above, our net income increased by $40.8 million, or 4%, to $1,080.4 million during the year ended December 31, 2017 from $1,039.5 million during the year ended December 31, 2016.

Net (income) loss attributable to non-controlling interest. Net income attributable to non-controlling interest was $4.2 million during the year ended December 31, 2017 as compared to a net loss of $7.1 million during the year ended December 31, 2016.

Net income attributable to AerCap Holdings N.V. For the reasons explained above, our net income attributable to AerCap Holdings N.V. increased by $29.5 million, or 3%, to $1,076.2 million during the year ended December 31, 2017 from $1,046.6 million during the year ended December 31, 2016.

Results of operations for the year ended December 31, 2016 as compared to the year ended December 31, 2015

	Year Ended December 31,	
	2016	2015
	(U.S. Dollars in thousands)	
Revenues and other income		
Lease revenue	$ 4,867,623	$ 4,991,551
Net gain on sale of assets	138,522	183,328
Other income	145,986	112,676
Total Revenues and other income	**5,152,131**	**5,287,555**
Expenses		
Depreciation and amortization	1,791,336	1,843,003
Asset impairment	81,607	16,335
Interest expense	1,091,861	1,099,884
Leasing expenses	582,530	522,413
Transaction, integration and restructuring related expenses	53,389	58,913
Selling, general and administrative expenses	351,012	381,308
Total Expenses	**3,951,735**	**3,921,856**
Income before income taxes and income of investments accounted for under the equity method	**1,200,396**	**1,365,699**
Provision for income taxes	(173,496)	(189,805)
Equity in net earnings of investments accounted for under the equity method	12,616	1,278
Net income	**$ 1,039,516**	**$ 1,177,172**
Net loss attributable to non-controlling interest	7,114	1,558
Net income attributable to AerCap Holdings N.V.	**$ 1,046,630**	**$ 1,178,730**

Revenues and other income. The principal categories of our revenues and other income and their variances were as follows for the years ended December 31, 2016 and 2015:

	Year Ended December 31,		Increase/	Percentage
	2016	2015	(Decrease)	Difference
	(U.S. Dollars in millions)			
Lease revenue:				
Basic lease rents	$ 4,395.3	$ 4,635.8	$ (240.5)	(5)%
Maintenance rents and other receipts	472.3	355.8	116.5	33%
Net gain on sale of assets	138.5	183.3	(44.8)	(24)%
Other income	146.0	112.7	33.3	30%
Total revenues and other income	**$ 5,152.1**	**$ 5,287.6**	**$ (135.5)**	**(3)%**

Basic lease rents. Basic lease rents decreased by $240.5 million, or 5%, to $4,395.3 million during the year ended December 31, 2016 from $4,635.8 million during the year ended December 31, 2015. The decrease in basic lease rents recognized during the year ended December 31, 2016 as compared to the year ended December 31, 2015 was attributable to:

- the sale of 189 aircraft between January 1, 2015 and December 31, 2016 with an aggregate net book value of $3.3 billion on their sale dates, resulting in a decrease in basic lease rents of $313.9 million; and

- a decrease in basic lease rents of $221.7 million primarily due to re-leases and extensions at lower rates and, to a lesser extent, the conversion of operating leases to finance leases. The accounting for the extensions requires the remaining rental payments to be recorded on a straight-line basis over the remaining term of the original lease plus the extension period. This results in a decrease in basic lease rents recognized as revenue during the remaining term of the original lease that will be offset by an increase in basic lease rents during the extension period. In addition, the contracted lease rates of extensions or re-leases of an aircraft tend to be lower than their previous lease rates as the aircraft are older, and older aircraft have lower lease rates than newer aircraft,

partially offset by

- the acquisition of 81 aircraft between January 1, 2015 and December 31, 2016, with an aggregate net book value of $7.2 billion on their acquisition dates, resulting in an increase in basic lease rents of $295.1 million.

Maintenance rents and other receipts. Maintenance rents and other receipts increased by $116.5 million, or 33%, to $472.3 million during the year ended December 31, 2016 from $355.8 million during the year ended December 31, 2015. The increase in maintenance rents and other receipts recognized during the year ended December 31, 2016 as compared to the year ended December 31, 2015 was attributable to:

- an increase of $52.0 million in maintenance revenue and other receipts from early lease terminations and restructurings during the year ended December 31, 2016 as compared to the year ended December 31, 2015; and

- an increase of $64.5 million in regular maintenance rents during the year ended December 31, 2016 as compared to the year ended December 31, 2015.

Net gain on sale of assets. Net gain on sale of assets decreased by $44.8 million, or 24%, to $138.5 million during the year ended December 31, 2016 from $183.3 million during the year ended December 31, 2015. During the year ended December 31, 2016, we sold 124 aircraft and reclassified 19 aircraft to net investment in finance and sales-type leases, whereas during the year ended December 31, 2015, we sold 59 aircraft and reclassified 11 aircraft to net investment in finance and sales-type leases. Net gain on sale of assets is impacted by the timing and composition of asset sales.

Other income. Other income increased by $33.3 million, or 30%, to $146.0 million during the year ended December 31, 2016 from $112.7 million during the year ended December 31, 2015. The increase was primarily due to higher income during the year ended December 31, 2016 from lease terminations, net insurance proceeds, and a gain related to the prepayment of a note receivable earlier than expected, partially offset by lower gross profit on engine, airframe, parts and supplies sales as a result of the AeroTurbine downsizing. During the year ended December 31, 2015, we also recognized a gain from the settlement of asset value guarantees. Please refer to Note 22 —*Other income* to our Consolidated Financial Statements included in this annual report for a detailed description of our other income.

Depreciation and amortization. Depreciation and amortization decreased by $51.7 million, or 3%, to $1,791.3 million during the year ended December 31, 2016 from $1,843.0 million during the year ended December 31, 2015. The decrease was primarily due to a reduction in the size of our aircraft portfolio due to aircraft sales.

Asset impairment. We recognized aggregate impairment charges of $81.6 million during the year ended December 31, 2016 as compared to $16.3 million during the year ended December 31, 2015. During the year ended December 31, 2016, we recognized impairment charges of $81.6 million on 35 aircraft. These impairments were more than offset by lease revenue that we recognized when we retained maintenance-related balances or received EOL compensation. During the year ended December 31, 2015, we recognized impairment charges of $16.3 million, primarily related to eight aircraft and 12 engines. These impairments were more than offset by lease revenue that we recognized when we retained maintenance-related balances or received EOL compensation. Please refer to Note 24—*Asset impairment* to our Consolidated Financial Statements included in this annual report for a detailed description of our asset impairment.

Interest expense. Our interest expense decreased by $8.0 million, or 1%, to $1,091.9 million during the year ended December 31, 2016 from $1,099.9 million during the year ended December 31, 2015. The decrease in interest expense was primarily attributable to:

- a decrease in our average outstanding debt balance by $0.7 billion to $29.1 billion during the year ended December 31, 2016 from $29.8 billion during the year ended December 31, 2015, primarily due to regular debt repayments, resulting in a $23.1 million decrease in our interest expense; and

- a $16.5 million decrease in non-cash mark-to-market losses on derivatives to $1.6 million recognized during the year ended December 31, 2016 from $18.1 million recognized during the year ended December 31, 2015,

partially offset by

- an increase in our average cost of debt to 3.7% for the year ended December 31, 2016 as compared to 3.6% for the year ended December 31, 2015. Our average cost of debt excludes the effect of mark-to-market movements on our interest rate caps and swaps, and in 2015, includes a one-time charge of $16.9 million related to prior periods to correct capitalized interest. The increase in our average cost of debt was primarily due to the issuance of new longer-term bonds to replace shorter-term ILFC notes, which had lower reported interest expense as a result of the application of the acquisition method of accounting to the debt assumed as part of the ILFC Transaction. The increase in our average cost of debt resulted in a $31.6 million increase in our interest expense.

Leasing expenses. Our leasing expenses increased by $60.1 million, or 12%, to $582.5 million during the year ended December 31, 2016 from $522.4 million during the year ended December 31, 2015. The increase was primarily due to $33.2 million higher maintenance rights intangible asset amortization expense and $38.3 million higher aircraft transition costs, lessor maintenance contributions and other leasing expenses, partially offset by $11.4 million lower expenses related to early lease terminations and restructurings recognized during the year ended December 31, 2016 as compared to the year ended December 31, 2015.

Transaction, integration and restructuring related expenses. Our transaction, integration and restructuring related expenses decreased by $5.5 million, or 9%, to $53.4 million during the year ended December 31, 2016 from $58.9 million during the year ended December 31, 2015. During the year ended December 31, 2016, our transaction, integration and restructuring related expenses were related to the AeroTurbine downsizing. During the year ended December 31, 2015, our transaction, integration and restructuring related expenses consisted of $49.3 million related to the AeroTurbine downsizing and $9.6 million of severance and other compensation expenses and rent termination costs due to the ILFC Transaction. Please refer to Note 25—*AeroTurbine restructuring* to our Consolidated Financial Statements included in this annual report for further details on the AeroTurbine restructuring.

Selling, general and administrative expenses. Our selling, general and administrative expenses decreased by $30.4 million, or 8%, to $351.0 million during the year ended December 31, 2016 from $381.4 million during the year ended December 31, 2015. The decrease was due to lower overhead expenses as a result of the AeroTurbine downsizing as well as other expense reductions.

Income before income taxes and income of investments accounted for under the equity method. For the reasons explained above, our income before income taxes and income of investments accounted for under the equity method decreased by $165.3 million, or 12%, to $1,200.4 million during the year ended December 31, 2016 from $1,365.7 million during the year ended December 31, 2015.

Provision for income taxes. Our provision for income taxes decreased by $16.3 million, or 9%, to $173.5 million during the year ended December 31, 2016 from $189.8 million during the year ended December 31, 2015. Our effective tax rate was 14.5% for the year ended December 31, 2016 as compared to 13.9% for the year ended December 31, 2015. The increase in our effective tax rate for the year ended December 31, 2016 was primarily due to changes in our valuation allowance in the United States during the years ended December 31, 2015 and 2016. The effective tax rate is impacted by the source and amount of earnings among our different tax jurisdictions. Please refer to Note 16—*Income taxes* to our Consolidated Financial Statements included in this annual report for a detailed description of our income taxes.

Equity in net earnings of investments accounted for under the equity method. Our equity in net earnings of investments accounted for under the equity method was $12.6 million during the year ended December 31, 2016 as compared to $1.3 million during the year ended December 31, 2015. During the year ended December 31, 2015, our equity in net earnings of investments accounting for under the equity method was impacted by a loss of approximately $4 million from one of our investments.

Net income. For the reasons explained above, our net income decreased by $137.7 million, or 12%, to $1,039.5 million during the year ended December 31, 2016 from $1,177.2 million during the year ended December 31, 2015.

Net loss attributable to non-controlling interest. Net loss attributable to non-controlling interest was $7.1 million during the year ended December 31, 2016 as compared to $1.5 million during the year ended December 31, 2015.

Net income attributable to AerCap Holdings N.V. For the reasons explained above, our net income attributable to AerCap Holdings N.V. decreased by $132.1 million, or 11%, to $1,046.6 million during the year ended December 31, 2016 from $1,178.7 million during the year ended December 31, 2015.

Liquidity and capital resources

The following table presents our consolidated cash flows for the years ended December 31, 2017 and 2016:

	Year Ended December 31,	
	2017	2016
	(U.S. Dollars in millions)	
Net cash provided by operating activities	$ 3,140.2	$ 3,381.2
Net cash used in investing activities	(3,427.4)	(1,331.1)
Net cash used in financing activities	(87.6)	(2,417.2)

Cash flows provided by operating activities. During the year ended December 31, 2017, our cash provided by operating activities of $3,140.2 million was the result of net income of $1,080.4 million, non-cash and other adjustments to net income of $1,995.1 million and the net change in operating assets and liabilities of $64.7 million. During the year ended December 31, 2016, our cash provided by operating activities of $3,381.2 million was the result of net income of $1,039.5 million, non-cash and other adjustments to net income of $2,076.6 million and the net change in operating assets and liabilities of $265.1 million.

Cash flows used in investing activities. During the year ended December 31, 2017, our cash used in investing activities of $3,427.4 million primarily consisted of cash used for the purchase of aircraft of $5,263.3 million and an increase in our restricted cash of $35.3 million, partially offset by cash provided by asset sale proceeds of $1,779.3 million and collections of finance and sales-type leases of $91.9 million. During the year ended December 31, 2016, our cash used in investing activities of $1,331.1 million primarily consisted of cash used for the purchase of aircraft and other fixed assets of $3,861.8 million, partially offset by cash provided by asset sale proceeds of $2,366.2 million, a decrease in our restricted cash of $90.3 million and collections of finance and sales-type leases of $74.2 million.

Cash flows used in financing activities. During the year ended December 31, 2017, our cash used in financing activities of $87.6 million primarily consisted of cash used for the repurchase of shares and payments of tax withholdings on share-based compensation of $1,138.8 million and cash used for the payment of dividends to our non-controlling interest holders of $0.3 million. This was partially offset by cash provided by new financing proceeds, net of debt repayments and debt issuance costs of $819.6 million and net receipts of maintenance and security deposits of $231.9 million. During the year ended December 31, 2016, our cash used in financing activities of $2,417.2 million primarily consisted of cash used for debt repayments and debt issuance costs, net of new financing proceeds of $1,606.3 million, cash used for the repurchase of shares and payments of tax withholdings on share-based compensation of $1,021.1 million and cash used for the payment of dividends to our non-controlling interest holders of $10.5 million, partially offset by cash provided by net receipts of maintenance and security deposits of $220.7 million.

Aircraft leasing is a capital-intensive business and we have significant capital requirements, including making pre-delivery payments and paying the balance of the purchase price for aircraft on delivery. As of December 31, 2017, we had 438 new aircraft on order, including 222 Airbus A320neo Family aircraft, 104 Boeing 737MAX aircraft, 53 Boeing 787 aircraft, 50 Embraer E-Jets E2 aircraft, and nine Airbus A350 aircraft. As a result, we will need to raise additional funds to satisfy these requirements, which we expect to do through a combination of accessing committed debt facilities and securing additional financing, if needed, from capital market transactions or other sources of capital. If other sources of capital are not available to us, we may need to raise additional funds through selling aircraft or other aircraft investments, including participations in our joint ventures.

Our existing sources of liquidity of $12.8 billion as of December 31, 2017, were sufficient to operate our business and cover at least 1.2x of our debt maturities and contracted capital requirements for the next 12 months. Our sources of liquidity for the next 12 months include undrawn lines of credit, unrestricted cash, estimated operating cash flows, cash flows from contracted asset sales and other sources of funding.

Our cash balance as of December 31, 2017 was $2.0 billion, including unrestricted cash of $1.7 billion. As of December 31, 2017, we had approximately $6.7 billion of undrawn lines of credit available under our credit and term loan facilities. Our total available liquidity, including undrawn lines of credit, unrestricted cash, cash flows from contracted asset sales and other sources of funding, was $9.6 billion as of December 31, 2017. Including estimated operating cash flows for the next 12 months, our total sources of liquidity were $12.8 billion as of December 31, 2017. As of December 31, 2017, the principal amount of our outstanding indebtedness, which excludes fair value adjustments of $0.3 billion and debt issuance costs and debt discounts of $0.2 billion, totaled $28.3 billion and primarily consisted of senior unsecured, subordinated and senior secured notes, export credit facilities, commercial bank debt, revolving credit debt, securitization debt and capital lease structures.

In order to satisfy our contractual purchase obligations, we expect to source new debt finance for our capital expenditures through access to capital markets, including the unsecured and secured bond markets, the commercial bank market, export credit and the asset-backed securities market.

In the longer term, we expect to fund the growth of our business, including acquiring aircraft, through internally generated cash flows, the incurrence of new bank debt, the refinancing of existing bank debt and other capital raising initiatives.

Our debt, including fair value adjustments of $0.3 billion and net of debt issuance costs and debt discounts of $0.2 billion, was $28.4 billion as of December 31, 2017, and our average cost of debt, excluding the effect of mark-to-market movements on our interest rate caps and swaps, was 3.9% during the year ended December 31, 2017. Our adjusted debt to equity ratio was 2.8 to 1 as of December 31, 2017. Please refer to "Item 5. Operating and Financial Review and Prospects—Non-GAAP measures" for reconciliations of adjusted debt and adjusted equity to the most closely related U.S. GAAP measures as of December 31, 2017 and 2016.

Please refer to Note 15—*Debt* to our Consolidated Financial Statements included in this annual report for a detailed description of our outstanding indebtedness.

AerCap Holdings N.V. is incorporated in the Netherlands and headquartered in Ireland, and is not directly engaged in business within, nor has a permanent establishment in, the United States. Only our U.S. subsidiaries are subject to U.S. net income tax or would potentially have to withhold U.S. taxes upon a distribution of our earnings.

While we were tax resident in the Netherlands, we did not accrue or pay taxes as a result of repatriation of earnings from any of our foreign subsidiaries to the Netherlands. Effective February 1, 2016, we became tax resident in Ireland and we would typically expect that the repatriation of earnings from our foreign subsidiaries should not, except where recognized in our financial statements, give rise to material additional Irish taxation due to the availability of foreign tax credits. As of December 31, 2017, $151.7 million out of $1,659.7 million of cash and short-term investments was held by our foreign subsidiaries outside of Ireland. Additionally, legal restrictions in relation to dividend payments from our subsidiaries to us are described in "Item 10. Additional Information—Taxation—Withholding tax" and "Item 3. Key Information—Risk Factors—Risks related to our organization and structure—If our subsidiaries do not make distributions to us we will not be able to pay dividends."

Contractual obligations

Our contractual obligations consist of principal and interest payments on debt (excluding fair value adjustments, debt issuance costs and debt discounts), executed purchase agreements to purchase aircraft and rent payments pursuant to our office and facility leases. We intend to fund our contractual obligations through unrestricted cash, lines-of-credit and other borrowings, operating cash flows and cash flows from asset sales. We believe that our sources of liquidity will be sufficient to meet our contractual obligations.

The following table provides details regarding our contractual obligations and their payment dates as of December 31, 2017:

	2018	2019	2020	2021	2022	Thereafter	Total
	(U.S. Dollars in millions)						
Unsecured debt facilities	$ 770.0	$ 3,199.9	$ 2,850.0	$ 2,800.0	$ 3,500.0	$ 1,800.0	$ 14,919.9
Secured debt facilities	2,407.4	992.1	1,351.7	871.9	2,807.5	3,356.9	11,787.5
Subordinated debt facilities	—	—	—	—	8.4	1,547.4	1,555.8
Estimated interest payments (a)	1,248.0	1,024.6	900.2	656.4	480.6	3,052.4	7,362.2
Purchase obligations (b)	6,065.1	5,723.1	4,742.2	3,714.5	2,405.7	1,662.3	24,312.9
Operating leases (c)	10.2	7.7	7.6	7.7	7.8	44.4	85.4
Total	**$ 10,500.7**	**$ 10,947.4**	**$ 9,851.7**	**$ 8,050.5**	**$ 9,210.0**	**$ 11,463.4**	**$ 60,023.7**

(a) Estimated interest payments for floating rate debt are based on rates as of December 31, 2017. Estimated interest payments include the estimated impact of our interest rate swap agreements.

(b) Includes commitments to purchase 426 aircraft and 12 purchase and leaseback transactions. See Note 29—*Commitments and contingencies* to our Consolidated Financial Statements included in this annual report for further details on our purchase obligations.

(c) Represents contractual payments on our office and facility leases.

Off-balance sheet arrangements

We have interests in variable interest entities, some of which are not consolidated into our Consolidated Financial Statements. Please refer to Note 27—*Variable interest entities* to our Consolidated Financial Statements included in this annual report for a detailed description of these interests and our other off-balance sheet arrangements.

Book value per share

The following table presents our book value per share as of December 31, 2017 and 2016:

	As of December 31,	
	2017	2016
	(U.S. Dollars in millions, except share and per share data)	
Total AerCap Holdings N.V. shareholders' equity	**$ 8,579.7**	**$ 8,524.4**
Ordinary shares issued	167,847,345	187,847,345
Treasury shares	(14,855,244)	(11,600,191)
Ordinary shares outstanding	**152,992,101**	**176,247,154**
Shares of unvested restricted stock	(3,007,752)	(3,426,810)
Ordinary shares outstanding, excluding shares of unvested restricted stock	**149,984,349**	**172,820,344**
Book value per ordinary share outstanding, excluding shares of unvested restricted stock	**$ 57.20**	**$ 49.33**

Book value per share increased 16% between December 31, 2016 and December 31, 2017.

Non-GAAP measures

The following are definitions of non-GAAP measures used in this report on Form 20-F and a reconciliation of such measures to the most closely related U.S. GAAP measures.

Net interest margin, or net spread, and annualized net spread

Net interest margin, or net spread, is calculated as the difference between basic lease rents and interest expense, excluding the impact of the mark-to-market of interest rate caps and swaps. Annualized net spread is net interest margin expressed as a percentage of average lease assets. We believe these measures may further assist investors in their understanding of the changes and trends related to the earnings of our leasing activities. These measures reflect the impact from changes in the number of aircraft leased, lease rates and utilization rates, as well as the impact from changes in the amount of debt and interest rates.

The following is a reconciliation of basic lease rents to net spread and annualized net spread for the years ended December 31, 2017 and 2016:

	Year Ended December 31,		Percentage Difference
	2017	2016	
	(U.S. Dollars in millions)		
Basic lease rents	**$ 4,194.2**	**$ 4,395.3**	**(5)%**
Interest expense	1,112.4	1,091.9	2%
Adjusted for:			
Mark-to-market of interest rate caps and swaps	(14.2)	(1.6)	788%
Adjusted interest expense	1,098.2	1,090.3	1%
Net interest margin, or net spread	**$ 3,096.0**	**$ 3,305.0**	**(6)%**
Average lease assets	**$ 34,228**	**$ 34,857**	**(2)%**
Annualized net spread	**9.0%**	**9.5%**	

Adjusted debt to equity ratio

This measure is the ratio obtained by dividing adjusted debt by adjusted equity. Adjusted debt represents consolidated total debt less cash and cash equivalents, and less a 50% equity credit with respect to certain long-term subordinated debt. Adjusted equity represents total equity, plus the 50% equity credit with respect to the long-term subordinated debt. Adjusted debt and adjusted equity are adjusted by the 50% equity credit to reflect the equity nature of those financing arrangements and to provide information that is consistent with definitions under certain of our debt covenants. We believe this measure may further assist investors in their understanding of our capital structure and leverage.

The following is a reconciliation of debt to adjusted debt and equity to adjusted equity as of December 31, 2017 and 2016:

	As of December 31,	
	2017	2016
	(U.S. Dollars in millions except debt/equity ratio)	
Debt	**$ 28,420.7**	**$ 27,717.0**
Adjusted for:		
Cash and cash equivalents	(1,659.7)	(2,035.4)
50% credit for long-term subordinated debt	(750.0)	(750.0)
Adjusted debt	**$ 26,011.0**	**$ 24,931.6**
Equity	**$ 8,638.8**	**$ 8,582.3**
Adjusted for:		
50% credit for long-term subordinated debt	750.0	750.0
Adjusted equity	**$ 9,388.8**	**$ 9,332.3**
Adjusted debt/equity ratio	**2.8 to 1**	**2.7 to 1**

Item 6. Directors, Senior Management and Employees

Directors and officers

Name	Age	Position	Date of First Appointment	End Current Term (a)
Directors				
Pieter Korteweg	76	Non-Executive Chairman of the Board of Directors	September 2006	2018 AGM
Aengus Kelly	44	Executive Director and Chief Executive Officer	May 2011	2019 AGM
Salem Al Noaimi	42	Non-Executive Director	May 2011	2018 AGM
Homaid Al Shimmari	50	Non-Executive Director	May 2011	2018 AGM
James (Jim) Chapman	55	Non-Executive Director	July 2006	2018 AGM
Paul Dacier	60	Non-Executive Director and Vice Chairman	May 2010	2018 AGM
Richard (Michael) Gradon	58	Non-Executive Director	May 2010	2018 AGM
Marius Jonkhart	67	Non-Executive Director	July 2006	2018 AGM
James (Jim) Lawrence	65	Non-Executive Director	May 2017	2021 AGM
Michael Walsh	51	Non-Executive Director	May 2017	2021 AGM
Robert (Bob) Warden	45	Non-Executive Director	July 2006	2018 AGM
Officers				
Wouter (Erwin) den Dikken	50	Chief Operating Officer and Chief Legal Officer		
Peter Juhas	46	Chief Financial Officer		
Philip G. Scruggs	53	Chief Commercial Officer and President		
Peter Anderson	42	Head of Asia Pacific		
Brian Canniffe	45	Group Treasurer		
Tom Kelly	54	Chief Executive Officer, AerCap Ireland Limited		
Theresa Murray	50	Head of Human Resources		
Edward (Ted) O'Byrne	46	Chief Investment Officer		
Martin Olson	55	Head of OEM Relations		
Sean Sullivan	49	Head of Americas		
Joe Venuto	58	Chief Technical Officer		
Kenneth Wigmore	49	Head of EMEA		

(a) The term for each director ends at the Annual General Meeting of Shareholders ("AGM") typically held in April or May of each year.

Directors

Pieter Korteweg. Mr. Korteweg has been a Director of AerCap since September 27, 2006. He serves as Vice Chairman of Cerberus Global Investment Advisors, LLC (New York). In addition, he serves as Chairman of Cerberus Global Investments B.V. (Baarn) and Chairman of the Supervisory Boards of Bawag Holding AG and Bawag PSK Bank AG (Vienna). Mr. Korteweg previously served, amongst others, as Non-Executive Member of the Board of Haya Real Estate S.L.U. (Madrid), Chairman of the Board of Capital Home Loans Ltd., Member of the Supervisory Board of Mercedes Benz Nederland B.V., Non-Executive Member of the Board of Aozora Bank Ltd. (Tokyo), Chairman of the Supervisory Board of Pensions and Insurance Supervisory Authority of the Netherlands, Chairman of the Supervisory Board of the Dutch Central Bureau of Statistics and Vice Chairman of the Supervisory Board of De Nederlandsche Bank. From 1987 to 2001, Mr. Korteweg was President and Chief Executive Officer of Robeco Group in Rotterdam. From 1981 to 1986, he was Treasurer General of the Dutch Ministry of Finance. Mr. Korteweg was a professor of economics from 1971 to 1998 at Erasmus University Rotterdam in the Netherlands. He holds a Ph.D. in Economics from Erasmus University Rotterdam.

Aengus Kelly. Mr. Kelly was appointed Executive Director and Chief Executive Officer of AerCap on May 18, 2011. Previously he served as Chief Executive Officer of AerCap's U.S. operations from January 2008 to May 2011. Mr. Kelly served as AerCap's Group Treasurer from 2005 through December 31, 2007. He started his career in the aviation leasing and financing business with GPA in 1998 and continued working with its successors AerFi in Ireland and debis AirFinance and AerCap in Amsterdam. Prior to joining GPA in 1998, he spent three years with KPMG in Dublin. Mr. Kelly is a Chartered Accountant and holds a Bachelor's degree in Commerce and a Master's degree in Accounting from University College, Dublin.

Salem Al Noaimi. Mr. Al Noaimi has been a Director of AerCap since May 18, 2011. Mr. Al Noaimi is also Waha Capital's Chief Executive Officer and Managing Director, responsible for leading the company's overall strategy across its business lines. Mr. Al Noaimi has served as Waha's CEO over the past eight years, with previous roles including Deputy CEO of Waha, and CEO of Waha Leasing. Earlier in his career, Mr. Al Noaimi held various positions at Dubai Islamic Bank, the UAE Central Bank, the Abu Dhabi Fund for Development and Kraft Foods. He chairs and sits on the Board of a number of companies, including Abu Dhabi Ship Building, Dunia Finance, Anglo Arabian Healthcare, Al Dhafra Insurance Company and Bahrain's ADDAX Bank. Mr. Al Noaimi is an UAE national with a degree in Finance and International Business from Northeastern University in Boston.

Homaid Al Shimmari. Mr. Al Shimmari has been a Director of AerCap since May 18, 2011. Mr. Al Shimmari is also Chief Executive Officer of Mubadala Aerospace & Engineering Services and member of the Investment Committee at Mubadala. He holds prominent roles with key aerospace, communications technology, defense and energy companies and organizations, including Chairman of Emirates Defence Industries Company (EDIC), Maximus Air Cargo, Abu Dhabi Autonomous Systems Investment (ADASI) and Abu Dhabi Ship Building, and currently holds board positions with Mubadala Petroleum, Masdar, Global Foundries, Abu Dhabi Aviation, Royal Jet, du - Emirates Integrated Telecommunications Company PJSC and SR Technics Holdco 1 GmbH. Mr. Al Shimmari is also a Board Member of the UAE University Board of Trustees and Chairman of the Advisory Board of Etihad Airways Engineering LLC. Before joining Mubadala, Mr. Al Shimmari was a Lieutenant Colonel in the UAE Armed Forces serving in the areas of military aviation, maintenance, procurement and logistics. Mr. Al Shimmari holds a Bachelor of Science in Aeronautical Engineering from Embry Riddle Aeronautical University in Daytona Beach, Florida, and holds a black belt in Six Sigma from General Electric, a highly disciplined leadership program.

James (Jim) Chapman. Mr. Chapman has been a Director of AerCap since July 26, 2006. Mr. Chapman serves as a Non-Executive Advisory Director of SkyWorks Capital, LLC, an aviation and aerospace management consulting services company based in Greenwich, Connecticut, which he joined in December 2004. Prior to SkyWorks, Mr. Chapman joined Regiment Capital Advisors, an investment advisor based in Boston specializing in high yield investments, which he joined in January 2003. Prior to Regiment, Mr. Chapman was a capital markets and strategic planning consultant and worked with private and public companies as well as hedge funds (including Regiment) across a range of industries. Mr. Chapman was affiliated with The Renco Group, Inc. from December 1996 to December 2001. Prior to Renco, Mr. Chapman worked in the financial services industry at Fieldstone Private Capital Group from 1990 through 1996 and Bankers Trust Company from 1985 through 1990. Presently, Mr. Chapman serves as a member of the Board of Directors of Arch Coal, Inc. and Tower International, Inc. Mr. Chapman received an MBA with distinction from Dartmouth College and was elected as an Edward Tuck Scholar. He received his B.A., with distinction, magna cum laude, from Dartmouth College and was elected to Phi Beta Kappa, in addition to being a Rufus Choate Scholar.

Paul Dacier. Mr. Dacier has been a Director of AerCap since May 27, 2010. He is also currently the general counsel at Indigo Agriculture, a privately held start-up company. Presently, Mr. Dacier serves as a Non-Executive Director of GTY Technology Holdings Inc. (a technology holding company), and he is on the Board of Directors of Progress Software Inc. (a software application development company). Until 2016, Mr. Dacier was Executive Vice President and General Counsel of EMC Corporation (an information infrastructure technology and solutions company), where he worked in various positions from 1990. He was a Non-Executive Director of Genesis from November 2007 until the date of the amalgamation with AerCap International Bermuda Limited. Prior to joining EMC, Mr. Dacier was an attorney with Apollo Computer Inc. (a computer work station company) from 1984 to 1990. Mr. Dacier received a B.A. in history and a J.D. in 1983 from Marquette University. He is admitted to practice law in the Commonwealth of Massachusetts and the state of Wisconsin.

Richard (Michael) Gradon. Mr. Gradon has been a Director of AerCap since May 27, 2010. He is also currently a Non-Executive Director of Exclusive Hotels, and is on the Board of Directors of The All England Lawn Tennis Ground PLC, The All England Lawn Tennis Club and The Wimbledon Championships. He was a Non-Executive Director of Genesis from November 2007 until the date of the amalgamation with AerCap International Bermuda Limited. He practiced law at Slaughter & May before joining the UK FTSE 100 company The Peninsular & Oriental Steam Navigation Company (P&O) where he was a main Board Director from 1998 until its takeover in 2006. His roles at P&O included the group commercial & legal director function and he served as Chairman of P&O's property division. In addition, Mr. Gradon served as Chairman of La Manga Club, Spain, and Chief Executive Officer of the London Gateway projects. Mr. Gradon holds an M.A. degree in law from Cambridge University.

Marius Jonkhart. Mr. Jonkhart has been a Director of AerCap since July 26, 2006. He is also currently a member of the Supervisory Boards of Ecorys Holding and Tata Steel Nederland. He was previously Chief Executive Officer of De Nationale Investeringsbank (NIBC) and the Chief Executive Officer of NOB Holding. He also served as the Director of Monetary Affairs of the Dutch Ministry of Finance. In addition, he has been a professor of finance at Erasmus University Rotterdam. He has served as a member of a number of Supervisory Boards, including the Supervisory Boards of BAWAG PSK Bank, Staatsbosbeheer, Connexxion Holding, European Investment Bank, Bank Nederlandse Gemeenten, Postbank, NPM Capital, Kema, AM Holding and De Nederlandsche Bank. He has also served as a Non-Executive Director of Aozora Bank, and Chairman of the Investment Board of ABP Pension Fund and several other funds. Mr. Jonkhart holds a Master's degree in Business Administration, a Master's degree in Business Economics and a Ph.D. in Economics from Erasmus University Rotterdam.

James (Jim) Lawrence. Mr. Lawrence has been a Director of AerCap since May 5, 2017. He is currently Chairman of Great North Star LLC, a private investment firm. Previously, Mr. Lawrence served as Chairman of Rothschild North America and earlier as Chief Executive Officer of Rothschild North America and as co-head of global investment banking at Rothschild from 2010 to 2015. Prior to Rothschild, Mr. Lawrence was Chief Financial Officer of Unilever and he served as Executive Director on the boards of Unilever NV and Unilever PLC. He joined Unilever in 2007 after serving as the Vice Chairman and Chief Financial Officer of General Mills for nine years. Prior to General Mills, Mr. Lawrence was Executive Vice President and Chief Financial Officer of Northwest Airlines from 1996 to 1998, and before that Mr. Lawrence was a division President at PepsiCo, serving as CEO of Pepsi-Cola Asia, Middle East, Africa from 1992 to 1996. In 1983, he cofounded The LEK Partnership, a corporate strategy and merger/acquisition firm, headquartered in London. Before that he was a Partner of Bain and Company, having opened their London and Munich offices. Prior to that, he worked for The Boston Consulting Group. Mr. Lawrence is currently a Non-Executive Director of Avnet Inc., Smurfit Kappa Group and, until 2018, IAG (International Consolidated Airlines Group). His aviation industry experience dates from 1990, and it includes, in addition to being the Chief Financial Officer of Northwest Airlines, serving on the boards of Continental Airlines, TWA, Mesaba and British Airways. Since 1990, Mr. Lawrence has served on 16 public company boards, several private company boards and numerous non-profit boards. Mr. Lawrence earned a Bachelor of Arts in Economics from Yale University and an M.B.A. with distinction from Harvard Business School.

Michael Walsh. Mr. Walsh has been a Director of AerCap since May 5, 2017. He is also currently a Non-Executive Director of NS Financial Services (Holdings) Limited, an international train leasing and financing company, which is a wholly owned subsidiary of NS Groep, the state railway company of the Netherlands. He previously served as a Non-Executive Director, including Chairman, of a number of companies that finance and lease aircraft and trains throughout the world. Mr. Walsh has over 25 years' experience as a Non-Executive Director, senior executive and commercial lawyer in the aircraft leasing and financing industry. In 1989, he joined GPA Group plc, the aircraft leasing and financing company, and held a number of senior management positions, including General Counsel. Following the acquisition of GPA by debis AirFinance in 2000, Mr. Walsh was appointed General Counsel of debis AirFinance and held that position until 2002. From 2003 to 2005, he served as Chief Legal Officer of Bord Gais Eireann, the Irish gas utility. From 1986 to 1989, he was a diplomat in the Irish Diplomatic Service. Mr. Walsh is a barrister and a law graduate of University College, Cork, Ireland.

Robert (Bob)Warden. Mr. Warden has been a Director of AerCap since July 26, 2006. He is also currently a Partner at Pamplona Capital Management, a private equity investment firm, which he joined in August 2012. Mr. Warden serves as a director for several private companies affiliated with Pamplona. Prior to joining Pamplona, Mr. Warden was Managing Director at Cerberus Capital Management, L.P. from February 2003 to August 2012, a Vice President at J.H. Whitney from May 2000 to February 2003, a Principal at Cornerstone Equity Investors LLC from July 1998 to May 2000 and an Associate at Donaldson, Lufkin & Jenrette from July 1995 to July 1998. Mr. Warden received his A.B. from Brown University.

Officers

Wouter (Erwin) den Dikken. Mr. den Dikken was appointed Chief Operating Officer of AerCap in 2010, in addition to his role as Chief Legal Officer to which he was appointed in 2005. Mr. den Dikken also previously served as Chief Executive Officer of AerCap's Irish operations. He joined the AerCap legal department in 1998. Prior to joining AerCap, Mr. den Dikken worked for an international packaging company in Germany as Senior Legal Counsel where he focused on mergers and acquisitions. Mr. den Dikken holds a law degree from Utrecht University. On February 2, 2018, we announced through a press release that Vincent Drouillard will become our General Counsel in June 2018. Mr. den Dikken will remain with AerCap through May 2018.

Peter Juhas. Mr. Juhas was appointed Chief Financial Officer of AerCap in April 2017, following his appointment as Deputy Chief Financial Officer in September 2015. Prior to joining AerCap, Mr. Juhas was Global Head of Strategic Planning at AIG, where he led the development of the company's strategic and capital plans, as well as mergers, acquisitions and other transactions, including the sale of ILFC to AerCap. Prior to joining AIG in 2011, Mr. Juhas was Managing Director in the Investment Banking Division of Morgan Stanley from 2000 to 2011. While at Morgan Stanley, he led the IPO of AerCap in 2006 and was the lead advisor to the Federal Reserve Bank and the U.S. Treasury on the AIG restructuring and the placement of the U.S. government-sponsored enterprises Fannie Mae and Freddie Mac into conservatorship in 2008. Prior to joining Morgan Stanley, Mr. Juhas was an attorney in the Mergers and Acquisitions group at Sullivan & Cromwell LLP, the New York law firm. Mr. Juhas received his A.B. from Harvard College and his J.D. from Harvard Law School.

Philip Scruggs. Mr. Scruggs assumed the position of President and Chief Commercial Officer of AerCap in May 2014, previously serving in the role of Executive Vice President and Chief Marketing Officer at ILFC, where he had a 20-year career. Mr. Scruggs oversees AerCap's worldwide leasing business, including the marketing, pricing, credit, and commercial execution. Prior to joining ILFC, Mr. Scruggs was an attorney at the Los Angeles-based law firm Paul, Hastings, Janofsky and Walker, where he specialized in leasing and asset-based finance. Mr. Scruggs received his B.A. from the University of California, Berkeley, and his J.D. from The George Washington University. Mr. Scruggs is an instrument rated private pilot.

Peter Anderson. Mr. Anderson assumed the position of Head of Asia Pacific, following the acquisition of ILFC by AerCap, having previously served in the role of Vice President Marketing and Deputy Head of APAC at ILFC. Mr. Anderson was responsible for managing ILFC's relationships with key airline customers in South East Asia, Japan and Korea. Prior to ILFC, Mr. Anderson was Asia Pacific Director of Sales and Marketing for Hong Kong Aviation Capital (HKAC), transitioning the Allco Finance Group Ltd. aviation assets into the HKAC business and managing those assets across Asia. Prior to HKAC, Mr. Anderson spent eight years at Allco Finance Group Ltd. in both Sydney and London, specializing in aircraft leasing, structured finance (for aviation assets) and mortgage and equipment lease securitization. Mr. Anderson earned his Master of Applied Finance and Investment from the Securities Institute of Australia, and his B.A. from the University of Technology Sydney.

Brian Canniffe. Mr. Canniffe was appointed Group Treasurer of AerCap in January 2018, previously serving as Head of Investor Relations since joining the Company in October 2016. He has over 20 years' experience in banking, lending and the capital markets. Prior to joining AerCap, Mr. Canniffe served as Managing Director and Head of Global Markets Financing for Bank of America Merrill Lynch in Hong Kong and Tokyo, where he led a division that was responsible for providing secured financing, trading, clearing, reporting and various treasury functions in the Asia Pacific region. Prior to joining Bank of America Merrill Lynch, he held roles within the financing divisions at Nomura Securities and Bankers Trust International.

Tom Kelly. Mr. Kelly was appointed Chief Executive Officer of AerCap Ireland in 2010. Mr. Kelly previously served as Chief Financial Officer of AerCap's Irish operations and has a substantial aircraft leasing and financial services background. Previously, Mr. Kelly spent ten years with GECAS where his last roles were as Chief Financial Officer and director of GE Capital Aviation Services (GECAS) Limited, GECAS's Irish operation. Mr. Kelly also served as global controller for GECAS in his role as Senior Vice President & Controller. Prior to joining GECAS in 1997, Mr. Kelly spent over eight years with KPMG in their London office, as Senior Manager in their financial services practice. Mr. Kelly is a Chartered Accountant and holds a Bachelor of Commerce degree from University College, Dublin.

Theresa Murray. Ms. Murray was appointed Head of Human Resources in October 2016. She has over 25 years' experience across all HR disciplines. Prior to joining AerCap she held the position of International HR Director at Nuance Communications. Throughout her career she has held a variety of HR and management roles including senior positions at Telefonica and Lucent Technologies.

Edward (Ted) O'Byrne. Mr. O'Byrne was appointed Chief Investment Officer in January 2011. Previously he held the position of Head of Portfolio Management overseeing aircraft trading, OEM relationships and portfolio management activities. Mr. O'Byrne joined AerCap in July 2007 as Vice President Portfolio Management and Trading. Prior to joining AerCap, he worked as Airline Marketing Manager at Airbus North America and later as Director, Sales Contracts for Airbus Leasing Markets in Toulouse, France. Mr. O'Byrne received his M.B.A. from the University of Chicago Booth School of Business and his B.A. from EuroMed in France.

Martin Olson. Mr. Olson assumed the position of Head of OEM Relations following the acquisition of ILFC by AerCap. He previously served in the role of Senior Vice President at ILFC. Mr. Olson heads AerCap's OEM Relations Department, responsible for purchasing new aircraft and engines. He joined ILFC in 1995 after ten years with McDonnell Douglas Aircraft Corporation. Mr. Olson is a graduate of California State University, Fullerton. He holds a Master's degree in Business Administration from the University of Southern California.

Sean Sullivan. Mr. Sullivan assumed the position of Head of Americas following the acquisition of ILFC by AerCap, previously serving in the role of Senior Vice President and Head of ILFC Americas. In this role, Mr. Sullivan was involved in ILFC's purchase and leaseback business, including strategic direction of the business, pricing and analysis tools, critical support, and customer evaluation and processes. Mr. Sullivan has more than 20 years' experience in negotiating and managing complicated transactions. Prior to ILFC, Mr. Sullivan was Director of Allco Aviation, where he oversaw strategic direction and creation of the business plan, focused on growth through purchase and leaseback transactions. Previously, he held the position of Vice President at Bank of America in the Leasing and Capital group, focused on aviation finance.

Joe Venuto. Mr. Venuto was appointed Chief Technical Officer of AerCap in February 2012. He previously served in the role of Senior Vice President Operations for the Americas at AerCap for four years. From 2004 to 2008, he held the role of Senior Vice President Operations at AeroTurbine, responsible for all technical issues. Prior to joining AeroTurbine, Mr. Venuto held the role of Senior Director Maintenance at several airlines including Trump Shuttle, Laker Airways and Amerijet International. He has over 30 years' experience in the aviation industry and he commenced his aviation career as an Airplane and Powerplant technician for Eastern Airlines. Mr. Venuto is a graduate of the College of Aeronautics and a licensed FAA Airframe and Powerplant Technician.

Kenneth Wigmore. Mr. Wigmore assumed the position of Head of EMEA following the acquisition of ILFC by AerCap. Previously, he held the positions of Chief Marketing Officer, and Head of Marketing for the Americas, overseeing customer relationships in North and South America from January 2008. Mr. Wigmore joined AerCap in April 2003 as Vice President Airline Marketing. Prior to joining AerCap, he worked as Airline Analyst and later as Sales Director, China over a 9 year period with the aircraft manufacturer Fairchild Dornier. Mr. Wigmore holds a Bachelor of Science degree from Mount Saint Mary's University in Maryland.

Compensation

Compensation of non-executive directors

We currently pay each non-executive director an annual fee of €95,000 (€200,000 for the Chairman of our Board of Directors and €115,000 for the Vice Chairman) and pay each of these directors an additional €4,000 per meeting attended in person or €1,000 per meeting attended by phone. In addition, we pay the chair of the Audit Committee an annual fee of €25,000 and each Audit Committee member will receive an annual fee of €15,000 and a fee of €4,000 per committee meeting attended in person or €1,000 per committee meeting attended by phone. We further pay the non-executive chair of each of the Nomination and Compensation Committee, the Group Treasury and Accounting Committee and the Group Portfolio and Investment Committee an annual fee of €15,000 and each such committee member will receive an annual fee of €10,000 and a fee of €4,000 per committee meeting attended in person or €1,000 per committee meeting attended by phone.

In addition, our non-executive directors receive an annual equity award as provided for in AerCap's remuneration policy for members of the Board of Directors and in accordance with the terms of the Equity Incentive Plan 2014. The size of the annual equity award to our non-executive directors increased, effective as of December 31, 2015, following a market compensation analysis conducted by an independent benefits advisory firm and in accordance with the terms of the Equity Incentive Plan 2014. As of December 31, 2017, our non-executive directors held 45,382 restricted stock units, 15,753 shares of restricted stock and options to acquire a total of 22,941 AerCap ordinary shares; these equity awards have been granted under the AerCap equity incentive plans, as further described below. All members of the Board of Directors are reimbursed for reasonable costs and expenses incurred in attending meetings of our Board of Directors.

Executive compensation

The aircraft leasing business is highly competitive. As a global leader in aircraft leasing, we seek to attract and retain the most talented and successful officers to manage our business and to motivate them with appropriate incentives to execute our strategy and to promote and encourage continued superior performance over a prolonged period of time, in support of achieving the objectives of long-term value creation and appropriate risk-taking. We have designed our compensation plans to meet these objectives.

Compensation goal	How goal is accomplished
Attract and retain leading executive talent	• Design compensation elements to enable us to compete effectively for executive talent • Selectively retain executives acquired through business transactions considering industry and functional knowledge, leadership abilities and fit with Company culture • Perform market analysis to stay informed of compensation trends and practices
Align executive pay with shareholder interests	• Concentrate executive pay heavily in equity compensation • Require robust equity ownership and retention • Motivate senior executives with meaningful incentives to generate long-term returns
Pay for performance	• Pay annual bonuses based on performance against one-year budgeted target set by the Nomination and Compensation Committee • Reward long-term growth and value creation • Tie long-term incentive program awards to the achievement of multi-year earnings per share targets set by the Nomination and Compensation Committee • Reward high performers with above-target pay when predetermined goals are exceeded
Manage risk	• Prohibit hedging of Company securities and pledging of AerCap equity prior to vesting • Emphasize long-term performance by designing equity award opportunities to minimize short-term focus and influence on compensation payouts • Incentive compensation for the executive director is subject to clawback provisions under Dutch law

During the year ended December 31, 2017, we paid an aggregate of approximately $9.3 million in cash (base salary and bonuses) and benefits as compensation to our Group Executive Committee members (Aengus Kelly, Wouter (Erwin) den Dikken, Keith Helming (January 1, 2017 to March 31, 2017), Peter Juhas (as of April 1, 2017) and Philip Scruggs), including approximately $0.6 million as part of their retirement and pension plans.

The compensation packages of our Group Executive Committee members (other than our Chief Executive Officer) and certain other officers, consisting of base salary, annual bonus and, for some officers, annual stock bonus, along with other benefits, are determined by the Nomination and Compensation Committee upon the recommendation of the Chief Executive Officer (other than with respect to his own compensation) on an annual basis. In addition, upon the recommendation of the Chief Executive Officer (other than with respect to his own equity awards), the Nomination and Compensation Committee may grant long-term equity incentive awards to our officers on a non-recurring basis under our equity incentive plans, as further outlined below. The compensation package of our Chief Executive Officer, consisting of base salary, annual bonus, annual stock bonus and a long-term equity incentive award, along with other benefits, is determined by the Board of Directors, upon recommendation of the Nomination and Compensation Committee, in accordance with the remuneration policy approved by the General Meeting of Shareholders.

The amount of the annual bonus and, if applicable, the amount of the annual stock bonus granted to our Group Executive Committee members and other participating officers are determined by the Nomination and Compensation Committee (or, in the case of our Chief Executive Officer, the Board of Directors, upon recommendation of the Nomination and Compensation Committee) based on the Company's performance relative to the U.S. GAAP EPS budget for the relevant year and the personal performance of the individual Group Executive Committee member or other officer involved. The Company's U.S. GAAP EPS budget and target bonus levels are determined before the beginning of the relevant year. The actual annual bonus amounts and the actual annual stock bonuses are determined and paid or granted, as the case may be, after the end of the relevant year. As a matter of policy, actual bonus amounts will be below target level in years that the EPS target is not met, unless specific circumstances require otherwise which, if any, will be disclosed in this annual report. The annual stock bonuses vest after three years, or, if earlier, at the end of the officer's employment term.

Our long-term equity incentive program is designed to retain our most talented and successful officers and to incentivize continued superior performance, in accordance with the Company's long-term objectives, for the benefit of our shareholders and other stakeholders. The majority of the long-term equity awards have vesting periods ranging between three years and five years, and the vesting of 66.67% of each award is conditional upon the achievement of the Company's U.S. GAAP EPS budget over the multi-year vesting period, as determined by the Board of Directors at the beginning of the vesting period (33.33% of each award is subject to time-based vesting). The awards will cliff vest, subject to meeting the vesting conditions, at the end of the vesting period, i.e., there will be no vesting in the interim, and all shares will remain at risk until the end of the vesting period. If the EPS target is not met, then none or only a portion of the performance-based shares will vest, with the remaining performance-based shares being forfeited. None of the performance-based shares will vest if 84% or less of the EPS target is met, which indicates the stringency of the program. A portion of the performance-based shares will vest, as specified in the award agreements, if between 84% and 100% of the EPS target is met, and all performance-based shares will vest if the EPS target is met or exceeded. In the event of a change of control of the Company, the shares will immediately vest. We believe that the design of our long-term equity incentive program promotes and encourages continued superior performance over a prolonged period of time in support of achieving the objectives of long-term value creation and appropriate risk-taking.

Severance payments are part of the employment agreements with our Group Executive Committee members. The amount of the pre-agreed severance is based upon calculations in accordance with their respective age and years of service.

The Company is subject to the Netherlands' Clawback of Bonuses Act. Pursuant to this legislation, bonuses paid to the executive director (and other directors, as defined under the articles of association, provided they are in charge of day-to-day management) may be clawed back if awarded on the basis of incorrect information. In addition, any bonus that has been awarded to the executive director (and other directors, as defined under the articles of association, provided they are in charge of day-to-day management) may be reduced if, under the circumstances, payment of the bonus would be unacceptable. As of December 31, 2017, we did not have any directors other than the executive director who were in charge of day-to-day management.

AerCap equity incentive plans

Under our equity incentive plans, we have granted restricted stock units, restricted stock and stock options, to directors, officers and employees to attract and retain them on competitive terms, and to incentivize superior performance with a view to creating long-term value for the benefit of the Company, its shareholders and other stakeholders.

The table below indicates the equity awards the Company granted to our Group Executive Committee members, and their equity awards that vested in 2017:

	2017 Granted	2017 Vested
Aengus Kelly (CEO)	19,358 (a)	14,692 (b)
Wouter (Erwin) den Dikken (COO)	5,007 (c)	5,763 (d)
Peter Juhas (CFO)	8,061 (c)	—
Philip Scruggs (President and CCO)	330,681 (c)	—

(a) Grant of 29,682 shares of restricted stock, of which 10,324 were withheld to pay taxes incurred by Mr. Kelly in connection with the grant.
(b) Vesting of shares of restricted stock.
(c) Grant of restricted stock units; payroll tax will be withheld and deducted from the shares to be delivered at vesting, as applicable.
(d) Vesting of 5,763 restricted stock units, of which 2,870 were withheld to pay taxes incurred by Mr. den Dikken in connection with the vesting.

The table below indicates the years in which equity awards held by our Group Executive Committee members as of December 31, 2017 are due to vest, subject to meeting the applicable vesting criteria. The awards may comprise restricted stock and restricted stock units, as specified in the paragraph below regarding share ownership.

	2018	2019	2020
Aengus Kelly (CEO)	1,074,078	571,455	—
Wouter (Erwin) den Dikken (COO)	814,212	—	—
Peter Juhas (CFO)	—	233,061	—
Philip Scruggs (President and CCO)	677,998	—	320,000

We require our Group Executive Committee members to own Company ordinary shares having a value equal to at least ten times their annual base salary, in order to further align their interests with the long-term interests of our shareholders. This threshold amount includes ordinary shares owned outright, vested stock-based equity awards, time-based restricted stock and time-based restricted stock units, whether or not vested, and any stock-based equity that the executive has elected to defer. New Group Executive Committee members have a five year grace period to meet this threshold. In addition, each Group Executive Committee member is required to hold, post vesting, 50% of the net shares (after satisfaction of any exercise price or tax withholding obligations) delivered to him or her pursuant to Company equity awards since January 1, 2007, for so long as such member remains employed by the Company (or, if earlier, until such member reaches 65 years of age). Sales of Company ordinary shares are conducted with a view to avoiding undue impact on the Company ordinary share price and in compliance with laws and regulations. Each executive must consult with the Chairman before executing any sale of the Company's ordinary shares.

Our policies prohibit our directors, officers and employees from trading in Company securities on the basis of material non-public information, or engaging in hedging and other "short" transactions involving Company securities. In addition, our directors, officers and employees are prohibited from pledging equity incentive awards prior to vesting.

Please refer to Note 18—*Share-based compensation* to our Consolidated Financial Statements included in this annual report for more details on our equity incentive plans.

Board Practices

General

Our Board of Directors currently consists of eleven directors, ten of whom are non-executive.

As a foreign private issuer, as defined by the rules promulgated under the Exchange Act, we are not required to have a majority independent Board of Directors under applicable NYSE rules. Under the Dutch Corporate Governance Code (the "Dutch Code"), for a non-executive director to be considered "independent," he or she (and his or her spouse and immediate relatives) may not, among other things, *(i)* in the five years prior to his or her appointment, have been an employee or executive director of us or any public company affiliated with us; *(ii)* in the year prior to his or her appointment, have had an important business relationship with us or any public company affiliated with us; *(iii)* receive any financial compensation from us other than for the performance of his or her duties as a director or other than in the ordinary course of business; *(iv)* hold 10% or more of our ordinary shares (including ordinary shares subject to any shareholder's agreement); *(v)* be a member of the management or Supervisory Board of a company owning 10% or more of our ordinary shares; *(vi)* in the year prior to his or her appointment, have temporarily managed our day-to-day affairs while the executive director was unable to discharge his or her duties; or *(vii)* be a member of the management board of a company in which a member of the management board of the company which he supervises is a supervisory board member. The Dutch Code contains principles and best practices for Dutch companies with listed shares, and requires companies to either comply with the best practice provisions of the Dutch Code or to explain why they deviate from these best practice provisions. Two of our non-executive directors (out of a total of ten) are affiliated with Waha. However, we believe the current composition of the Board enables it to operate effectively and independently, also considering the fact that the non-executive directors are carefully selected based upon their combined experience and expertise.

The directors are appointed by the general meeting of the shareholders. Our directors may be appointed by the vote of a majority of votes cast at a general meeting of shareholders provided that our Board of Directors has proposed the appointment. Without a Board of Directors proposal, directors may also be appointed by the vote of a majority of the votes cast at a general meeting of shareholders if the majority represents at least one-third of our issued capital.

Shareholders may remove or suspend a director by the vote of a majority of the votes cast at a general meeting of shareholders, provided that our Board of Directors has proposed the removal. Our shareholders may also remove or suspend a director, without there being a proposal by the Board of Directors, by the vote of a majority of the votes cast at a general meeting of shareholders if the majority represents at least one-third of our issued capital.

Under our articles of association, the rules for the Board of Directors and the board committees, and Dutch corporate law, the members of the Board of Directors are collectively responsible for the management, general and financial affairs, policy, and strategy of our company.

The executive director is our Chief Executive Officer, who is primarily responsible for managing our day-to-day affairs as well as other responsibilities that have been delegated to the executive director in accordance with our articles of association and our internal rules for the Board of Directors. The non-executive directors supervise the Chief Executive Officer and our general affairs and provide general advice to our Chief Executive Officer. In performing their duties, the non-executive directors are guided by the interests of the Company and shall, within the boundaries set by relevant Dutch law, take into account the relevant interests of our shareholders and other stakeholders in AerCap. The internal affairs of the Board of Directors are governed by our rules for the Board of Directors.

The Chairman of the Board is obligated to ensure, among other things, that *(i)* each director receives all information about matters that he or she may deem useful or necessary in connection with the proper performance of his or her duties; *(ii)* each director has sufficient time for consultation and decision making; and *(iii)* the Board of Directors and the board committees are properly constituted and functioning.

Each director has the right to cast one vote and may be represented at a meeting of the Board of Directors by a fellow director. The Board of Directors may pass resolutions only if a quorum of four directors, including our Chief Executive Officer and the Chairman, or, in his absence, the Vice Chairman, are present at the meeting. Resolutions must be passed by a majority of the votes cast. If there is a tie, the matter will be decided by the Chairman of our Board of Directors, or in his absence, the Vice Chairman. Subject to Dutch law, resolutions of the Board of Directors may be passed in writing by a majority of the directors in office. Pursuant to Dutch laws and the Board Rules, a director may not participate in discussions or the decision making process on a transaction or subject in relation to which he or she has a conflict of interest with us. Resolutions to enter into such transactions must be approved by our Board of Directors, excluding such interested director or directors.

In 2017, the Board of Directors met on nine occasions. Throughout the year, the Chairman of the Board and individual non-executive directors were in close contact with our Chief Executive Officer and the other Group Executive Committee members. During its meetings and contacts with the Chief Executive Officer and the other Group Executive Committee members, the Board discussed such topics as AerCap's annual reports and annual accounts for the financial year 2016, topics for the AGM 2017, secured and unsecured financing transactions and AerCap's liquidity position, AerCap's hedging policies, optimization of AerCap's portfolio of aircraft, global and regional macroeconomic, monetary and political developments and impact on the industry, AerCap key customer developments, competitive landscape, aircraft valuations, AerCap's backlog of new technology orders with aircraft and engine manufacturers, AerCap shareholder value, AerCap key shareholder developments, capital allocation strategies and share repurchases, AerCap's corporate and tax structure, completion of the AeroTurbine downsizing, reports from the various Board committees, budgeting and financial planning, remuneration and compensation, directors' and officers' succession planning, regulatory compliance, culture and values, sustainability and community, governance and risk management and control.

Composition of the Board

The Board members are from diverse professional backgrounds and combine a broad spectrum of experience and expertise with a reputation for integrity. The Board as a whole possesses a wide range of core competencies, professional backgrounds and skill sets. The Board aims for a diverse composition, in line with the global nature and identity of the Company and its business, in terms of such factors as nationality, background, gender and age. It is our objective to increase female representation on our Board, as we believe that greater gender diversity of the Board will have a positive impact. Candidate directors are primarily selected on the basis of core competencies, professional backgrounds and skill sets.

Committees of the Board of Directors

As described above, the Chief Executive Officer is primarily responsible for managing our day-to-day affairs as well as other duties that have been delegated to the executive director in accordance with our articles of association and our internal rules for the Board of Directors. The Board of Directors has established a Group Executive Committee, a Group Portfolio and Investment Committee, a Group Treasury and Accounting Committee, an Audit Committee and a Nomination and Compensation Committee.

Group Executive Committee

We maintain a Group Executive Committee, which is tasked with assisting the Chief Executive Officer with regard to the operational management of the Company, subject to the Chief Executive Officer's ultimate responsibility. It is chaired by our Chief Executive Officer and is comprised of officers appointed by the Nomination and Compensation Committee. As of December 31, 2017, the members of our Group Executive Committee were Aengus Kelly (Chief Executive Officer), Wouter (Erwin) den Dikken (Chief Operating Officer), Peter Juhas (Chief Financial Officer) and Philip Scruggs (President & Chief Commercial Officer). The members of the Group Executive Committee assist the Chief Executive Officer in performing his duties and as such have managerial and policy making functions within the Company in their respective areas of responsibility. Members of the Group Executive Committee regularly attend Board meetings.

Group Portfolio and Investment Committee

Our Group Portfolio and Investment Committee is entrusted with the authority to consent to transactions relating to the acquisition and disposal of aircraft, engines and financial assets that are in excess of $250 million but less than $600 million, among others. It is chaired by our Chief Financial Officer and is comprised of non-executive directors and officers appointed by the Nomination and Compensation Committee. As of December 31, 2017, the members of our Group Portfolio and Investment Committee were Peter Juhas, Aengus Kelly, Salem Al Noaimi, James (Jim) Chapman, Edward (Ted) O'Byrne and Robert (Bob) Warden.

Group Treasury and Accounting Committee

Our Group Treasury and Accounting Committee is entrusted with the authority to consent to debt funding in excess of $250 million but less than $600 million per transaction, among others. It is chaired by our Chief Financial Officer and is comprised of non-executive directors and officers appointed by the Nomination and Compensation Committee. As of December 31, 2017, the members of our Group Treasury and Accounting Committee were Peter Juhas, Aengus Kelly, Salem Al Noaimi, Marius Jonkhart, Tom Kelly, Brian Canniffe and Robert (Bob) Warden.

Audit Committee

Our Audit Committee assists the Board of Directors in fulfilling its responsibilities relating to the integrity of our financial statements, our risk management and internal control arrangements, our compliance with legal and regulatory requirements, the performance, qualifications and independence of external auditors, and the performance of the internal audit function, among others. The Audit Committee is comprised of non-executive directors who are "independent" as defined by Rule 10A-3 under the Exchange Act. At least one of them shall have the necessary financial qualifications. As of December 31, 2017, the members of our Audit Committee were James (Jim) Chapman (Chairman), Marius Jonkhart, Richard (Michael) Gradon and James (Jim) Lawrence.

In 2017, the Audit Committee met on seven occasions. Throughout the year, the members of the Audit Committee were in close contact with our Chief Executive Officer, our Chief Financial Officer, internal auditors as well as the external auditors. Principal items discussed and reviewed during these Audit Committee meetings and with our Chief Executive Officer and our Chief Financial Officer included the annual and quarterly financial statements and disclosures, external auditor's reports, external auditor's independence and rotation, activities and results in respect of our continued compliance with the Sarbanes-Oxley Act, the external auditor's audit plan for 2017, approval of other services rendered by the external auditor, internal audit reports, the internal auditor's audit plan for 2018, the Company's compliance, risk management policies and integrity and fraud, the expenses incurred by the Company's most senior officers in carrying out their duties, the Company's tax planning policies, the functioning of the Audit Committee, the audit committee charter and the audit committee cycle. The Audit Committee had several separate sessions with the external auditor without management being present.

Nomination and Compensation Committee

Our Nomination and Compensation Committee selects and recruits candidates for the positions of Chief Executive Officer, non-executive director and Chairman of the Board of Directors and recommends their remuneration, bonuses and other terms of employment or engagement to the Board of Directors. In addition, our Nomination and Compensation Committee approves the remuneration, bonuses and other terms of employment of the Group Executive Committee and certain other officers and appoints members of the Group Executive Committee, the Group Portfolio and Investment Committee, the Group Treasury and Accounting Committee and recommends candidates for the Audit Committee and plans the succession within the Board of Directors and committees. It is chaired by the Chairman of our Board of Directors and is further comprised of up to three non-executive directors appointed by the Board of Directors. As of December 31, 2017, the members of our Nomination and Compensation Committee were Pieter Korteweg (Chairman), Salem Al Noaimi, Paul Dacier and Robert (Bob) Warden.

In 2017, the Nomination and Compensation Committee met on four occasions. At these meetings it discussed and approved succession planning and compensation related occurrences and developments within the framework of the Board and Committee Rules and our remuneration policy. In addition, various resolutions were adopted outside of these meetings.

None of our Nomination and Compensation Committee members or our officers has a relationship that would constitute an interlocking relationship with officers or directors of another entity or insider participation in compensation decisions.

Share ownership

The following table presents beneficial ownership of our shares which are held by our directors and Group Executive Committee members as of December 31, 2017:

	Ordinary shares (unrestricted)	Restricted stock (a)	Restricted stock units (a)(b)	Ordinary shares underlying options (c)	Fully diluted ownership percentage (d)
Directors:					
Pieter Korteweg (Chairman)	21,012	4,545	12,025	—	*
Aengus Kelly (CEO) (e)	605,700	1,645,533	—	—	1.5%
Salem Al Noaimi	2,959	376	2,253	3,954	*
Homaid Al Shimmari	—	—	—	—	*
James (Jim) Chapman	10,619	642	3,965	1,803	*
Paul Dacier	11,001	3,596	6,193	5,728	*
Richard (Michael) Gradon	—	3,380	7,155	—	*
Marius Jonkhart	16,178	427	3,394	5,728	*
James (Jim) Lawrence	100,000	—	3,394	—	*
Michael Walsh	500	—	2,253	—	*
Robert (Bob) Warden	733	2,787	4,750	5,728	*
Total Directors	**768,702**	**1,661,286**	**45,382**	**22,941**	
Group Executive Committee (GEC) Members:					
Wouter (Erwin) den Dikken (COO)	205,808	—	814,212	—	*
Peter Juhas (CFO)	29,025	—	233,061	—	*
Philip Scruggs	—	667,317	330,681	—	*
Total Directors and GEC Members	**1,003,535**	**2,328,603**	**1,423,336**	**22,941**	

* Less than 1.0%.

(a) All restricted stock and restricted stock units are subject to time-based or performance-based vesting conditions. Of these restricted stock and restricted stock units, subject to the vesting conditions, 4,319 will vest on January 1, 2018, 42,124 will vest on February 17, 2018, 2,575,333 will vest on May 31, 2018 (or, for part of these, the date of the AGM in 2018, whichever is the earlier), 20,347 will vest on February 19, 2019, 551,108 will vest on May 31, 2019 (or the date of the AGM in 2019, whichever is the earlier), 233,061 will vest on September 13, 2019, 320,000 will vest on May 31, 2020 and 5,647 will vest on January 1, 2021.

(b) Payroll tax will be withheld and deducted from the shares to be delivered at the vesting of restricted stock units, as applicable.

(c) 5,322 of these options expire on December 31, 2020 and carry a strike price of $14.12 per option. 8,604 of these options expire on December 31, 2021 and carry a strike price of $11.29 per option. The remaining 9,015 options expire on December 31, 2022 and carry a strike price of $13.72 per option.

(d) Percentage amount assumes the vesting and exercise of all time-based and performance-based equity awards at target in this table, and no vesting or exercise of any other equity awards.

(e) Mr. Kelly is our Chief Executive Officer and an Executive Director of the Board.

All of our ordinary shares have the same voting rights.

The address for all of our directors and officers is c/o AerCap Holdings N.V., AerCap House, 65 St. Stephen's Green, Dublin 2, Ireland.

Employees

The following table presents the number of employees relating to our aircraft leasing business at each of our principal geographic locations as of December 31, 2017, 2016 and 2015:

	As of December 31,		
Location	**2017**	**2016**	**2015**
Dublin, Ireland	205	159	90
Shannon, Ireland	75	70	74
Los Angeles, California	54	60	72
Singapore	43	44	41
Amsterdam, the Netherlands	7	45	90
Other (a)	23	20	18
Total (b)	**407**	**398**	**385**

(a) Includes employees located in China, France, the United Kingdom, the United Arab Emirates and throughout the United States.
(b) Includes two, ten and seven part-time employees as of December 31, 2017, 2016 and 2015, respectively.

None of our employees are covered by a collective bargaining agreement, and we believe that we maintain excellent employee relations.

In addition to the above, as of December 31, 2017, 2016 and 2015, we had nil, 160 and 411 employees, respectively, primarily located in Miami, Florida and Goodyear, Arizona relating to our AeroTurbine subsidiary.

Item 7. Major Shareholders and Related Party Transactions

Major shareholders

Beneficial holders of 5% or more of our ordinary outstanding shares as of December 31, 2017, based on available public filings, include: Wellington Management Co. LLP at 8.2% (12,591,388 shares), Greenlight Capital, Inc. at 6.4% (9,768,178 shares) and Donald Smith & Company, Inc. at 5.5% (8,431,177 shares).

In addition, in the second half of 2014, Waha Capital PJSC entered into sale and funded collar transactions with respect to the entire amount of the ordinary shares they held. We understand that Waha has the right to acquire, through a call right, up to the same number of shares that are the subject of the funded collar transactions. Based on the most recent SEC filing made by Waha, we understand that 25,221,483 shares, or 16.5% of our ordinary outstanding shares, are subject to the funded collar transactions and related call right.

We do not register the jurisdiction of all record holders as this information is not always available. Specifically, the number of record holders in the United States, or in many regions outside the United States, is not known to the Company and cannot be ascertained from public filings. All of our ordinary shares have the same voting rights.

Related party transactions

Please refer to Note 11—*Investments*, Note 27—*Variable interest entities* and Note 28—*Related party transactions* to our Consolidated Financial Statements included in this annual report for further details of transactions and loans between the Company and its related parties.

Item 8. Financial Information

Consolidated statements and other financial information

Please refer to pages F-1 through F-91 of this annual report.

Significant changes

Please refer to Note 32—*Subsequent events* to our Consolidated Financial Statements included in this annual report for a discussion of significant changes.

Item 9. The Offer and Listing

Offer and listing details

Not applicable.

Markets

AerCap's shares are traded on the NYSE under the symbol "AER."

Trading on the New York Stock Exchange

The following table presents, for the periods indicated, the high and low sales prices per ordinary share as reported on the NYSE Composite Tape:

	Price per AerCap Holdings N.V. ordinary share (a)	
	High ($)	Low ($)
Annual highs and lows		
2013	39.10	13.73
2014	50.02	34.38
2015	51.50	37.42
2016	45.53	24.61
2017	54.50	41.54
2017 and 2016 quarterly highs and lows		
Quarter 1 2016	42.42	24.61
Quarter 2 2016	42.34	31.45
Quarter 3 2016	40.94	31.66
Quarter 4 2016	45.53	38.20
Quarter 1 2017	49.66	41.54
Quarter 2 2017	47.43	42.35
Quarter 3 2017	51.27	46.23
Quarter 4 2017	54.50	49.07
2017 monthly highs and lows		
January	44.59	41.54
February	49.66	43.93
March	46.59	43.63
April	46.33	42.85
May	46.95	42.35
June	47.43	44.21
July	50.24	46.23
August	50.79	47.70
September	51.27	48.13
October	53.30	50.91
November	54.50	49.07
December	53.56	51.18
2018 monthly highs and lows		
January	55.67	52.42
February	54.58	49.04
March (through March 2, 2018)	49.93	49.14

(a) Share prices provided are intraday highs and lows for all periods presented.

On March 2, 2018, the closing sales price for our ordinary shares on the NYSE as reported on the NYSE Composite Tape was $49.34.

Item 10. Additional Information

Memorandum and articles of association

Set forth below is a summary description of our ordinary shares and related material provisions of our articles of association and of Book 2 of the Dutch Civil Code ("*Boek 2 van het Burgerlijk Wetboek*"), which governs the rights of holders of our ordinary shares. Please refer to "Item 6—Directors, Senior Management and Employees" for a discussion of Netherlands laws and our internal rules concerning directors' power to vote on proposals in which they are materially interested.

Ordinary share capital

Pursuant to our articles of association, our ordinary shares may only be held in registered form. All of our ordinary shares are registered in a register kept by us or on our behalf by our transfer agent. Transfer of registered shares requires a written deed of transfer and the acknowledgment by AerCap, subject to provisions stemming from private international law. Our ordinary shares are, in general, freely transferable.

Regulatory obligations regarding certain share transactions

AerCap Cash Manager II Limited, which is a member of AerCap, is subject to regulation by the Central Bank of Ireland. As a result, the acquisition or disposal directly or indirectly of interests in AerCap shares or similar interests may be subject to regulatory requirements involving the Central Bank of Ireland as set out below. The following disclosure is for information purposes only and AerCap cannot provide Irish legal advice to actual or potential investors. Actual or potential investors in AerCap must obtain their own legal advice in relation to their position.

Under the European Union (Markets in Financial Instruments) Regulations 2017 (as amended) (the "MiFID II Regulations"), a person or a group of persons acting in concert proposing to acquire a direct or indirect holding of ordinary shares or other similar interests in AerCap must give the Central Bank of Ireland prior written notice of such proposed acquisition if the acquisition would directly or indirectly *(i)* represent 10% or more of the capital or voting rights in AerCap; *(ii)* result in the proportion of capital or voting rights in AerCap held by such person or persons reaching or exceeding 10%, 20%, 33% or 50% of the capital or voting rights in AerCap; or *(iii)* in the opinion of the Central Bank of Ireland, make it possible for that person or those persons to control or exercise a significant influence over the management of AerCap Cash Manager II Limited. Any such proposed acquisition shall not proceed until *(a)* the Central Bank of Ireland has informed such proposed acquirer or acquirers that it approves such acquisition or *(b)* the period prescribed in Regulation 21 of the MiFID II Regulations has elapsed without the Central Bank of Ireland having given notice in writing that it opposes such acquisition. It is important in this regard to note that the validity as a matter of Irish law of affected transactions, if completed without prior notification to, or assessment by, the Central Bank of Ireland will not be recognized in Ireland. Corresponding provisions apply to the disposal of direct and indirect shareholdings in AerCap except that, in such case, no approval is required, but prior notice of the disposal must be given to the Central Bank of Ireland. AerCap Cash Manager II Limited is required under the MiFID II Regulations to notify the Central Bank of Ireland of relevant acquisitions and/or disposals of which it becomes aware.

Issuance of ordinary shares

The General Meeting of Shareholders can resolve upon the issuance of ordinary shares or the granting of rights to subscribe for ordinary shares, but only upon a proposal by the Board of Directors specifying the price and further terms and conditions. The General Meeting of Shareholders may designate our Board of Directors as the authorized corporate body for this purpose. Such designation may be for any period of up to five years and must specify the maximum number of ordinary shares that may be issued.

At the AGM held in 2017, our shareholders resolved to authorize the Board of Directors, for a period of 18 months, to issue ordinary shares or grant rights to subscribe for ordinary shares *(i)* up to ten percent of the Company's issued share capital; and *(ii)* up to an additional ten percent of the Company's issued share capital, provided that the shares that may be issued and rights that may be granted pursuant to this second authorization may only be used for mergers and/or the acquisition of a business or a company.

These resolutions together authorize the Board of Directors to issue ordinary shares, and grant rights to subscribe for such shares, up to a maximum of 20% of the Company's issued share capital, subject to the conditions described in these resolutions.

Preemptive rights

Unless limited or excluded by the General Meeting of Shareholders or Board of Directors as described below, holders of ordinary shares have a pro rata preemptive right to subscribe for ordinary shares that we issue, except for ordinary shares issued for non-cash consideration (contribution in kind) or ordinary shares issued to our employees.

The General Meeting of Shareholders may limit or exclude preemptive rights and also designate our Board of Directors as the authorized corporate body for this purpose. At the AGM held in 2017, our shareholders resolved to authorize the Board of Directors to limit or exclude preemptive rights in respect of any issuance of shares or granting of rights to subscribe for shares pursuant to the authorizations described above in the paragraph Issuance of ordinary shares, which authorization is valid for a period of 18 months.

Repurchase of our ordinary shares

We may acquire our ordinary shares, subject to certain provisions of the laws of the Netherlands and of our articles of association, if the following conditions are met:

- the General Meeting of Shareholders has authorized our Board of Directors to acquire the ordinary shares, which authorization may be valid for no more than 18 months;
- our equity, after deduction of the price of acquisition, is not less than the sum of the paid-in and called-up portion of the share capital and the reserves that the laws of the Netherlands or our articles of association require us to maintain; and
- we would not hold after such purchase, or hold as pledgee, ordinary shares with an aggregate par value exceeding such part of our issued share capital as set by law from time to time.

At the AGM held in 2017, our shareholders resolved to authorize the Board of Directors for a period of 18 months *(i)* to repurchase ordinary shares up to ten percent of the Company's issued share capital; and *(ii)* to repurchase ordinary shares up to an additional ten percent of the Company's issued share capital, subject to the condition that the number of ordinary shares which the Company may at any time hold in its own capital will not exceed ten percent of the Company's issued share capital, and certain other conditions described in these resolutions.

Capital reduction and cancellation

The General Meeting of Shareholders may reduce our issued share capital either by cancelling ordinary shares held in treasury or by amending our articles of association to reduce the par value of the ordinary shares. A resolution to reduce our capital requires the approval of at least an absolute majority of the votes cast and, if less than one half of the share capital is represented at a meeting at which a vote is taken, the approval of at least two-thirds of the votes cast.

At the AGM held in 2017, our shareholders resolved to cancel the Company's ordinary shares that may be acquired under the repurchase authorizations described above or otherwise, subject to determination by our Board of Directors of the exact number of ordinary shares to be cancelled. During 2017, we cancelled 20,000,000 ordinary shares that we had repurchased. In January 2018, we cancelled 5,000,000 ordinary shares and in March 2018, we cancelled a further 6,000,000 ordinary shares, which were acquired through the share repurchase programs in accordance with the authorizations obtained from the Company's shareholders.

General Meetings of Shareholders

Our articles of association determine how our AGM and any extraordinary General Meeting of Shareholders are convoked. At least one AGM must be held every year. Shareholders can exercise their voting rights by submitting their proxy forms or equivalent means prior to a set date in accordance with the procedures indicated in the notice and agenda of the applicable general meeting of shareholders. Shareholders may exercise their meeting rights in person after notifying us prior to a set date and providing us with appropriate evidence of ownership of the shares and authority to vote prior to a set date in accordance with the procedures indicated in the notice and agenda of the applicable general meeting of shareholders.

The rights of shareholders may only be changed by amending our articles of association. A resolution to amend our articles of association is valid if the Board of Directors makes a proposal amending the articles of association and such proposal is adopted by a simple majority of votes cast.

The following resolutions require a two thirds majority vote if less than half of the issued share capital is present or represented at the general meeting of shareholders:

- capital reduction;
- exclusion or restriction of preemptive rights, or designation of the Board of Directors as the authorized corporate body for this purpose; and
- legal merger or legal demerger within the meaning of Title 7 of Book 2 of the Dutch Civil Code.

If a proposal to amend the articles of association will be considered at the meeting, we will make available a copy of that proposal, in which the proposed amendments will be stated verbatim.

An agreement of AerCap to enter into a *(i)* statutory merger whereby AerCap is the acquiring entity; or *(ii)* a legal demerger, with certain limited exceptions, must be approved by the shareholders.

The AGM was held on May 5, 2017. The AGM adopted the 2016 annual accounts and voted for all other items which required a vote.

Voting rights

Each ordinary share represents the right to cast one vote at a general meeting of shareholders. All resolutions must be passed with an absolute majority of the votes validly cast except as set forth above. We are not allowed to exercise voting rights for ordinary shares we hold directly or indirectly.

Any major change in the identity or character of AerCap or its business must be approved by our shareholders, including:

- the sale or transfer of substantially all our business or assets;
- the commencement or termination of certain major joint ventures and our participation as a general partner with full liability in a limited partnership ("*commanditaire vennootschap*") or general partnership ("*vennootschap onder firma*"); and
- the acquisition or disposal by us of a participating interest in a company's share capital, the value of which amounts to at least one third of the value of our assets.

Liquidation rights

If we are dissolved or wound up, the assets remaining after payment of our liabilities will be first applied to pay back the amounts paid up on the ordinary shares. Any remaining assets will be distributed among our shareholders, in proportion to the par value of their shareholdings. All distributions referred to in this paragraph shall be made in accordance with the relevant provisions of the laws of the Netherlands.

Dutch statutory squeeze-out proceedings

If a person or a company or two or more group companies within the meaning of Article 2:24b of the Dutch Civil Code acting in concert holds in total 95% of a Dutch public limited liability company's issued share capital by par value for their own account, the laws of the Netherlands permit that person or company or those group companies acting in concert to acquire the remaining ordinary shares in the company by initiating statutory squeeze out proceedings against the holders of the remaining shares. The price to be paid for such shares will be determined by the Enterprise Chamber of the Amsterdam Court of Appeal.

Choice of law and exclusive jurisdiction

Our articles of association provide that the legal relationship among or between us, any of our current or former directors, and any of our current or former holders of our shares and derivatives thereof, including but not limited to *(i)* actions under statute; *(ii)* actions under the articles of association, including actions for breach thereof; and *(iii)* actions in tort, shall be governed in each case exclusively by the laws of the Netherlands, unless such legal relationship does not pertain to or arise out of the capacities above. Any dispute, suit, claim, pre-trial action or other legal proceeding, including summary or injunctive proceedings, by and between those persons pertaining to or arising out of their capacities listed above shall be exclusively submitted to the courts of the Netherlands.

Adoption of annual accounts and discharge of management liability

Each year, our Board of Directors must prepare annual accounts within four months after the end of our financial year. The annual accounts must be made available for inspection by shareholders at our offices within the same period. The annual accounts must be accompanied by an auditor's certificate, a report of the Board of Directors and certain other mandatory information. The shareholders shall appoint an accountant, as referred to in Article 393 of Book 2 of the Dutch Civil Code, to audit the annual accounts. The annual accounts are adopted by our shareholders.

The adoption of the annual accounts by our shareholders does not release the members of our Board of Directors from liability for acts reflected in those documents. Any such release from liability requires a separate shareholders' resolution.

Registrar and transfer agent

A register of holders of the ordinary shares will be maintained by Broadridge in the United States who also serves as our transfer agent. The telephone number of Broadridge is 1-800-733-1121.

Risk management and control framework

Our management is responsible for designing, implementing and operating an adequate functioning internal risk management and control framework. The purpose of this framework is to identify and manage the strategic, operational, financial and compliance risks to which we are exposed, to promote effectiveness and efficiency of our operations, to promote reliable financial reporting and to promote compliance with laws and regulations. Supervision is exercised by our Audit Committee, as described in "Item 6. Directors, Senior Management and Employees—Board Practices—Committees of the Board of Directors—Audit Committee." Our internal risk management and control framework is based on the COSO framework developed by the Committee of Sponsoring Organizations of the Treadway Commission (2013). The COSO framework aims to provide reasonable assurance regarding effectiveness and efficiency of an entity's operations, reliability of financial reporting, prevention of fraud and compliance with laws and regulations.

Our internal risk management and control framework has the following key components:

Planning and control cycle

The planning and control cycle consists of an annual budget and business plan prepared by management and approved by our Board of Directors, quarterly forecasts, operational reviews and financial reporting.

Risk management and internal controls

We have developed policies and procedures for all areas of our operations, both financial and non-financial, that constitutes a broad system of internal control. This system of internal control has been developed through a risk-based approach and enhanced with a view to achieving and maintaining full compliance with the requirements of Section 404 of the Sarbanes-Oxley Act. Our system of internal control is embedded in our standard business practices and is validated through audits performed by our internal auditors and through management testing of Sarbanes-Oxley Act controls, which is performed with the assistance of external advisors. In addition, senior management personnel and finance managers of our main operating subsidiaries annually sign a detailed letter of representation with regard to financial reporting, internal controls and ethical principles. Employees working in our finance or accounting functions are subject to a separate Finance Code of Ethics.

Code of Conduct and Whistleblower Policy

Our Code of Conduct is applicable to all our employees, including the Chief Executive Officer, Chief Financial Officer and controllers. It is designed to promote honest and ethical conduct and timely and accurate disclosure in our periodic financial results. Our Whistleblower Policy provides for the reporting, if so wished on an anonymous basis, of alleged violations of the Code of Conduct, alleged irregularities of a financial nature by our employees, directors or other stakeholders, alleged violations of our compliance procedures and other alleged irregularities without any fear of reprisal against the individual that reports the violation or irregularity.

Compliance procedures

AerCap has various procedures and programs in place designed to ensure compliance with relevant laws and regulations, including anti-insider trading procedures, anti-bribery procedures, anti-fraud procedures, economic sanctions and export control compliance procedures, anti-money laundering procedures and anti-trust procedures. Our compliance programs are maintained and supervised by the Chief Compliance Officer, and they include annual training in key compliance areas and annual certifications. The procedures are subject to regular audits by, or on behalf of, the internal audit function.

Internal auditors

We have an internal audit function in place to provide assurance to the Audit Committee, on behalf of the Board of Directors, and to AerCap's executive officers, with respect to AerCap's key processes. The internal audit function independently and objectively carries out audit assignments in accordance with the annual internal audit plan, as approved by the Audit Committee. The head of the internal audit function reports, in line with professional standards of the Institute of Internal Auditors, to the Audit Committee (functional reporting line) and to our Chief Executive Officer (administrative reporting line). The work of the internal audit department is fully endorsed by the Audit Committee and AerCap's executive officers and is considered a valuable part of AerCap's system of control and risk management.

Disclosure controls and procedures

The Disclosure Committee assists our Chief Executive Officer and Chief Financial Officer in overseeing our financial and non-financial disclosure activities and to ensure compliance with applicable disclosure requirements arising under U.S. and Dutch law and regulatory requirements. The Disclosure Committee obtains information for its recommendations from the operational and financial reviews, letters of representation which include a risk and internal controls self-assessment, input from the documentation and assessment of our internal controls over financial reporting and input from risk management activities during the year along with various business reports. The Disclosure Committee comprises various members of senior management.

External auditors

Our external auditor is responsible for auditing the financial statements. Following the recommendation by the Audit Committee and upon proposal by the Board of Directors, the General Meeting of Shareholders appoints each year the auditor to audit the financial statements of the current financial year. The external auditor reports to our Board of Directors and the Audit Committee of our Board of Directors. The external auditor is present at the meetings of the Audit Committee when our quarterly and annual results are discussed.

At the request of the Board of Directors and the Audit Committee, the Chief Financial Officer and the Internal Audit department review, in advance, each service to be provided by the auditor to identify any possible breaches of the auditor's independence. The Audit Committee pre-approves every engagement of our external auditor. In accordance with applicable regulations, the partner of the external audit firm in charge of the audit activities is subject to rotation requirements.

Material contracts

We have entered into several credit facilities and other financing arrangements to fund our acquisition of our aircraft. See Note 15 —*Debt* to our Consolidated Financial Statements included in this annual report for more information regarding our credit facilities and financing arrangements.

Exchange controls

There are no limits under the laws of the Netherlands or in our articles of association on non-residents of the Netherlands holding or voting our ordinary shares. Currently, there are no exchange controls under the laws of the Netherlands on the conduct of our operations or affecting the remittance of dividends.

Taxation

Effective as of February 1, 2016, we moved our headquarters and principal executive officers from Amsterdam, the Netherlands to Dublin, Ireland. From that date forward, AerCap Holdings N.V. has been managed and controlled from Ireland. As a result of the application of the tax treaty between the Netherlands and Ireland, we are no longer considered a resident of the Netherlands for tax purposes but instead a resident of Ireland for tax purposes.

Irish tax considerations

The following is a general summary of certain Irish tax consequences applicable to both Irish tax resident and non-Irish residents as a result of the holding and disposal of ordinary shares where and while we are considered a resident of Ireland for the purposes of Irish tax from February 1, 2016 onward. This summary is based on existing Irish law and our understanding of the practices of the Irish Revenue Commissioners as of the date of this annual report. Legislative, administrative or judicial changes may modify the tax consequences described below. The discussion below is included for general information purposes only.

Please note that this summary does not constitute tax advice and is intended only as a general guide. Furthermore, this information applies only to our shares that are held as capital assets and does not apply to all categories of shareholders, such as dealers in securities, trustees, insurance companies, collective investment schemes or shareholders who have, or who are deemed to have, acquired their shares by virtue of an office or employment.

This summary is not exhaustive and shareholders should consult their own tax advisers as to the tax consequences of acquiring, holding and disposing our ordinary shares in their particular circumstances.

Dividend withholding tax

Irish dividend withholding tax ("DWT"), (currently at a rate of 20%) will arise in respect of dividends or other distributions (including deemed distributions) we pay unless an exemption applies. A deemed distribution for these purposes would include, among other things, a payment made on the redemption, repayment or purchase of its own shares by a company except for such payments made by a quoted company in certain circumstances. Where DWT does arise in respect of dividends, the Company is responsible for deducting DWT at source and forwarding the relevant payment to the Irish Revenue Commissioners.

An exemption from DWT is available on dividend payments made to certain non-Irish tax resident shareholders ("Exempt Non-Resident Shareholders"). Exempt Non-Resident Shareholders must be resident in a Relevant Territory (i.e. a country with which Ireland has a double tax treaty), which includes the United States and member states of the EU (other than Ireland). Exempt Non-Resident Shareholders include:

- individual shareholders (not being a company) who are not tax resident in Ireland and who are resident for the purposes of tax in a Relevant Territory;
- corporate shareholders resident for the purposes of tax in a Relevant Territory and which are not controlled (directly or indirectly) by Irish tax residents;
- corporate shareholders that are not resident in Ireland for the purposes of tax, which are under the direct or indirect control of persons who are resident for the purposes of tax in a Relevant Territory and are not under the ultimate control of persons not resident in a Relevant Territory; or
- corporate shareholders, that are not resident for tax purposes in Ireland, the principal class of shares of which (or of its 75% parent or where wholly owned by two or more companies, each such company) is substantially and regularly traded on a stock exchange in Ireland, a recognized stock exchange in a Relevant Territory or on such other stock exchange approved by the Irish Minister for Finance (which includes the New York Stock Exchange),

and provided that, in all cases noted above (but subject to the exception in the paragraph below regarding "U.S. resident shareholders"), the Exempt Non-Resident Shareholder has provided a relevant DWT declaration, as prescribed by the Irish Revenue Commissioners, to his or her broker before the record date for the dividend, and the relevant information is further transmitted to the Company (in the case of shares held through the Depository Trust Company ("DTC")) or to our transfer agent (in the case of shares held outside of the DTC).

U.S. resident shareholders

A simplified DWT exemption procedure exists for U.S. resident shareholders who hold their shares in the Company through the DTC. The simplified procedures provide that such shareholders are not required to complete the Irish Revenue Commissioners' DWT declaration form but can still avail of the exemption from DWT provided the address of the beneficial owner of the shares in the records of the broker is in the United States. We strongly recommend that such shareholders ensure that their information has been properly recorded by their brokers. In order for this simplified procedure to apply, the dividends must be paid via a "qualifying intermediary" as discussed further below.

Dividends paid in respect of shares in an Irish resident company that are owned by residents of the United States and held outside of the DTC will not be subject to DWT provided that the shareholder has completed the relevant DWT declaration form and this declaration form remains valid. Such shareholders must provide the relevant DWT declaration form to our transfer agent at least seven business days before the record date for the first dividend payment to which they are entitled.

If a U.S. resident shareholder receives a dividend subject to DWT, that shareholder should generally be able to make an application for a refund of DWT from the Irish Revenue Commissioners, subject to certain time limits.

Distributions to a qualifying intermediary

A distribution made by the Company to a "qualifying intermediary" (for example a bank or stockbroking firm) approved by the Irish Revenue Commissioners is exempt from DWT if the ultimate beneficial owner is an Exempt Non-Resident Shareholder. In such instances, the qualifying intermediary is required to identify the person who is beneficially entitled to the distribution and to ensure that the prescribed declarations are in place in advance of the dividend payment, or in the case of U.S. residents which hold our shares through the DTC, that the address of the beneficial owner of the shares is in the United States. The Company must apply DWT to a distribution unless it has been notified by the qualifying intermediary that the distribution to be received by the qualifying intermediary is for the benefit of an Exempt Non-Resident Shareholder.

Prior to paying any dividend, the Company intends to put in place an agreement with an entity which is recognized by the Irish Revenue Commissioners as a "qualifying intermediary," such that any dividends paid by the Company will be paid via a qualifying intermediary.

Other non-resident persons

Shareholders that do not fall within one of the categories mentioned above may fall within other exemptions from DWT. If a shareholder is exempt from DWT but receives a dividend subject to DWT, that shareholder may be able to claim a refund of DWT from the Irish Revenue Commissioners subject to certain time limits.

Irish resident shareholders

Irish tax resident or ordinarily resident individual shareholders will generally be subject to DWT in respect of dividends or distributions received from an Irish resident company (with some limited exemptions). Irish tax resident individual shareholders will be allowed a tax credit for the amount of DWT suffered on the dividend against their Irish income tax charge on the dividend income. Irish tax resident corporate shareholders will generally be entitled to claim an exemption from DWT.

Irish tax resident or ordinarily resident shareholders that are entitled to receive dividends without DWT must complete the relevant DWT declaration form, as prescribed by the Irish Revenue Commissioners, and provide the declaration form to their brokers before the record date for the first dividend to which they are entitled (in the case of shares held through the DTC), or to our transfer agent at least seven business days before such record date (in the case of shares held outside of the DTC).

Irish tax resident or ordinarily resident individual shareholders who are not entitled to an exemption from DWT and who are subject to Irish tax should consult their own tax adviser.

Irish income tax on dividends

Non-Irish resident shareholders

A shareholder who is not resident or ordinarily resident for tax purposes in Ireland and who is entitled to an exemption from DWT, generally has no liability to Irish income tax on a dividend from an Irish resident company unless that shareholder holds the shares through a branch or agency which carries on a trade in Ireland.

A shareholder who is not resident or ordinarily resident for tax purposes in Ireland and who is not entitled to an exemption from DWT, generally has no additional liability to Irish income tax unless that shareholder holds the shares through a branch or agency which carries on a trade in Ireland. The shareholder's liability to Irish tax on the dividend is effectively limited to the amount of DWT already deducted by the Company.

Irish resident shareholders

Irish tax resident or ordinarily resident individual shareholders may be subject to Irish income tax and income charges such as pay related social insurance ("PRSI") and the Universal Social Charge ("USC") on the gross amount of any dividends received from the Company, with a credit allowed for any DWT suffered on the dividend. Such shareholders should consult their own tax adviser. Irish tax resident corporate shareholders should generally not be subject to Irish corporation tax on dividends from the Company.

Irish stamp duty

Irish stamp duty will generally not be payable on transactions for cash in the Company's shares, unless the transfer of the shares is related to either immoveable property situated in Ireland or any interest in such property or to shares or marketable securities of an Irish incorporated company. In such cases a 1% stamp duty charge will arise for the acquirer based on the transfer consideration for the shares.

Irish tax on chargeable gains

Non-residents of Ireland

A disposal of our shares by a shareholder who is not resident or ordinarily resident for tax purposes in Ireland should not give rise to Irish tax on any chargeable gain realized on such disposal unless such shares are used, held or acquired for the purposes of a trade carried on by such shareholder through a branch or agency in Ireland.

Irish resident individuals/companies

A disposal of our shares by an Irish tax resident or ordinarily resident shareholder may, depending on the circumstances (including the availability of exemptions and reliefs), give rise to a chargeable gain or allowable loss for that shareholder. Any such gain or loss must be calculated in euro. The rate of capital gains tax in Ireland is currently 33%. Depending on the individual circumstances, unutilized capital losses from other sources may be available to reduce gains realized on the disposal of our shares.

A holder of our shares who is an Irish tax resident individual and becomes temporarily non-resident in Ireland may, under Irish anti-avoidance legislation, be liable to Irish tax on any chargeable gain realized on a disposal during the period in which such individual is non-resident.

Irish capital acquisitions tax

On a gift or inheritance of our shares, Irish capital acquisitions tax ("CAT"), will arise where either the disponer and/or the recipient is tax resident or ordinary resident in Ireland. Special rules with regard to residence apply where an individual is not domiciled in Ireland. Where both the disponer and the recipient are not Irish tax resident or ordinary resident, Irish CAT may still arise on a gift or inheritance of shares in the Company, if they are deemed to be situated in Ireland at the time. The current rate of Irish CAT for gifts and inheritances is 33% and there are various thresholds which apply before CAT becomes applicable.

The Estate Tax convention between Ireland and the United States generally provides for Irish CAT paid on inheritances in Ireland to be credited, in whole or in part, against tax payable in the United States, in the case where an inheritance of shares is subject to both Irish CAT and U.S. Federal Estate Tax. The Estate Tax Convention does not apply to Irish CAT paid on gifts.

U.S. tax considerations

Subject to the limitations and qualifications stated herein, this discussion sets forth the material U.S. federal income tax consequences of the purchase, ownership and disposition of the ordinary shares. The discussion of the holders' tax consequences addresses only those persons that hold those ordinary shares as capital assets for U.S. federal income tax purposes and does not address the tax consequences to any special class of holder, including without limitation, holders of (directly, indirectly or constructively) 10% or more of the total combined voting power, if any, of our ordinary shares, dealers in securities or currencies, banks, tax-exempt organizations, life insurance companies, financial institutions, broker dealers, regulated investment companies, real estate investment trusts, traders in securities that elect the mark-to-market method of accounting for their securities holdings, persons that hold securities that are a hedge or that are hedged against currency or interest rate risks or that are part of a straddle, conversion or "integrated" transaction, certain U.S. expatriates, partnerships or other entities classified as partnerships for U.S. federal income tax purposes and U.S. Holders whose functional currency for U.S. federal income tax purposes is not the U.S. dollar. This discussion does not address the effect of the U.S. federal alternative minimum tax or any state, local or foreign tax laws on a holder of ordinary shares. The discussion is based on the Code, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as currently in effect and all subject to change at any time, possibly with retroactive effect.

For purposes of this discussion, a "U.S. Holder" means a beneficial owner of ordinary shares that is for U.S. federal income tax purposes an individual citizen or resident of the U.S.; a U.S. corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States or any political subdivision thereof; a trust if the trust *(i)* is subject to the primary supervision of a U.S. court and one or more U.S. persons are able to control all substantial decisions of the trust; or *(ii)* has elected to be treated as a U.S. person; or an estate the income of which is subject to U.S. federal income tax regardless of its source. A "non-U.S. Holder" is a beneficial owner of our ordinary shares that is neither a U.S. Holder nor a partnership for U.S. federal income tax purposes.

If an entity or arrangement that is treated as a partnership for U.S. federal income tax purposes holds the shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and activities of the partnership. Partnerships holding shares and partners therein should consult their own tax advisors as to the particular U.S. federal income tax consequences of acquiring, owning and disposing of the shares.

Cash dividends and other distributions

A U.S. Holder of ordinary shares generally will be required to treat distributions received with respect to such ordinary shares (including any amounts withheld) as dividend income to the extent of AerCap's current or accumulated earnings and profits (computed using U.S. federal income tax principles), with the excess treated as a non-taxable return of capital to the extent of the holder's adjusted tax basis in the ordinary shares and, thereafter, as capital gain, subject to the PFIC rules discussed below. Dividends paid to a U.S. Holder that is a corporation are not eligible for the dividends received deduction available to corporations. Current tax law provides for a maximum 20% U.S. tax rate on the dividend income of an individual U.S. Holder with respect to dividends paid by a domestic corporation or "qualified foreign corporation" if certain holding period requirements are met. A qualified foreign corporation generally includes a foreign corporation (other than a PFIC) if *(i)* its ordinary shares are readily tradable on an established securities market in the United States; or *(ii)* it is eligible for benefits under a comprehensive U.S. income tax treaty. The ordinary shares are expected to be readily traded on the NYSE. As a result, assuming we are not treated as a PFIC, we should be treated as a qualified foreign corporation with respect to dividends paid on our ordinary shares and, therefore, dividends paid to an individual U.S. Holder with respect to ordinary shares for which the requisite holding period is satisfied should be taxed at a maximum federal tax rate of 20%.

Distributions to U.S. Holders of additional ordinary shares or preemptive rights with respect to ordinary shares that are made as part of a *pro rata* distribution to all of our shareholders generally will not be subject to U.S. federal income tax, but in other circumstances may constitute a taxable dividend.

Distributions paid in a currency other than U.S. dollars will be included in a U.S. Holder's gross income in a U.S. dollar amount based on the spot exchange rate in effect on the date of actual or constructive receipt whether or not the payment is converted into U.S. dollars at that time. The U.S. Holder will have a tax basis in such currency equal to such U.S. dollar amount, and any gain or loss recognized upon a subsequent sale or conversion of the foreign currency for a different U.S. dollar amount will be U.S. source ordinary income or loss. If the dividend is converted into U.S. dollars on the date of receipt, a U.S. Holder generally should not be required to recognize foreign currency gain or loss in respect of the dividend income.

Subject to applicable limitations that may vary depending upon the circumstances, foreign taxes withheld from dividends on ordinary shares, to the extent the taxes do not exceed those taxes that would have been withheld had the holder been eligible for and actually claimed the benefits of any reduction in such taxes under applicable law or tax treaty, will be creditable against the U.S. Holder's federal income tax liability. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. The rules governing foreign tax credits are complex and, therefore, prospective purchasers of ordinary shares should consult their own tax advisors regarding the availability of foreign tax credits in their particular circumstances. Instead of claiming a credit, a U.S. Holder may, at his election, deduct such otherwise creditable foreign taxes in computing his taxable income, subject to generally applicable limitations under U.S. law.

A non-U.S. Holder generally will not be subject to U.S. federal income or withholding tax on dividends paid with respect to ordinary shares unless such income is effectively connected with the conduct by the non-U.S. Holder of a trade or business within the United States.

Sale or disposition of ordinary shares

A U.S. Holder generally will recognize gain or loss on the taxable sale or exchange of the ordinary shares in an amount equal to the difference between the U.S. dollar amount realized on such sale or exchange (determined in the case of shares sold or exchanged for currencies other than U.S. dollars by reference to the spot exchange rate in effect on the date of the sale or exchange or, if the ordinary shares sold or exchanged are traded on an established securities market and the U.S. Holder is a cash basis taxpayer or an electing accrual basis taxpayer, the spot exchange rate in effect on the settlement date) and the U.S. Holder's adjusted tax basis in the ordinary shares determined in U.S. dollars. The initial tax basis of the ordinary shares to a U.S. Holder will be the U.S. Holder's U.S. dollar purchase price for the shares (determined by reference to the spot exchange rate in effect on the date of the purchase, or if the shares purchased are traded on an established securities market and the U.S. Holder is a cash basis taxpayer or an electing accrual basis taxpayer, the spot exchange rate in effect on the settlement date). Assuming that AerCap is not a PFIC and has not been treated as a PFIC during your holding period for our ordinary shares, such gain or loss will be capital gain or loss and will be long-term gain or loss if the ordinary shares have been held for more than one year. Under current law, the maximum long-term capital gain rate for an individual U.S. Holder is 20%. The deductibility of capital losses is subject to limitations. Capital gain or loss, if any, recognized by a U.S. Holder generally will be treated as U.S. source income or loss for U.S. foreign tax credit purposes.

A non-U.S. Holder of ordinary shares will not be subject to United States income or withholding tax on gain from the sale or other disposition of ordinary shares unless *(i)* such gain is effectively connected with the conduct of a trade or business within the United States; o r *(ii)* the non-U.S. Holder is an individual who is present in the United States for at least 183 days during the taxable year of the disposition and certain other conditions are met.

Potential application of PFIC provisions

We do not believe we will be classified as a PFIC for 2017. We cannot yet make a determination as to whether we will be classified as a PFIC for 2018 or subsequent years. In general, a non-U.S. corporation will be classified as a PFIC for U.S. federal income tax purposes in any taxable year in which, after applying certain look-through rules, either *(i)* at least 75% of its gross income is "passive income;" or *(ii)* at least 50% of the average value of its gross assets is attributable to assets that produce "passive income" or are held for the production of "passive income." Passive income for this purpose generally includes dividends, interest, royalties, rents and gains from commodities, foreign currency and securities transactions. Certain exceptions are provided, however, for rental income derived in the active conduct of a business.

The determination as to whether a foreign corporation is a PFIC is a complex determination that is based on all of the relevant facts and circumstances and that depends on the classification of various assets and income under applicable rules. It is unclear how some of these rules apply to us. Further, this determination must be tested annually at the end of the taxable year and, while we intend to conduct our affairs in a manner that will reduce the likelihood of our becoming a PFIC, our circumstances may change or our business plan may result in our engaging in activities that could cause us to become a PFIC. Accordingly, there can be no assurance that we will not be classified as a PFIC for the current taxable year or any future taxable year.

If we are or become a PFIC in a taxable year in which we pay a dividend or the prior taxable year, the dividend rate discussed above with respect to dividends paid to non-corporate holders would not apply. If we are a PFIC, subject to the discussion of the mark-to-market election and the qualified electing fund election below, a U.S. Holder of ordinary shares will be subject to additional tax and an interest charge on "excess distributions" received with respect to the ordinary shares or gains realized on the disposition of such ordinary shares. Such a U.S. Holder will have an excess distribution if distributions during any tax year exceed 125% of the average amount received during the three preceding tax years (or, if shorter, the U.S. Holder's holding period). A U.S. Holder may realize gain on an ordinary share not only through a sale or other disposition, but also by pledging the ordinary share as security for a loan or entering into certain constructive disposition transactions. To compute the tax on an excess distribution or any gain, *(i)* the excess distribution or gain is allocated ratably over the U.S. Holder's holding period; *(ii)* the amount allocated to the current tax year and amounts allocated to any year before the first year in which we are a PFIC is taxed as ordinary income in the current tax year; and *(iii)* the amount allocated to each previous tax year (other than any year before the first year in which we are a PFIC) is taxed at the highest applicable marginal rate in effect for that year and an interest charge is imposed to recover the deemed benefit from the deferred payment of the tax. These rules effectively prevent a U.S. Holder from treating the gain realized on the disposition of an ordinary share as capital gain.

If we are a PFIC and our ordinary shares are "regularly traded" on a "qualified exchange," a U.S. Holder may make a mark-to-market election, which may mitigate the adverse tax consequences resulting from AerCap's PFIC status. The ordinary shares will be treated as "regularly traded" in any calendar year during which more than a *de minimis* quantity of ordinary shares are traded on a qualified exchange on at least 15 days during each calendar quarter. The NYSE, on which the ordinary shares are expected to be regularly traded, is a qualified exchange for U.S. federal income tax purposes.

If a U.S. Holder makes the mark-to-market election, for each year in which we are a PFIC the holder generally will include as ordinary income the excess, if any, of the fair market value of the ordinary shares at the end of the taxable year over their adjusted basis, and will be permitted an ordinary loss in respect of the excess, if any, of the adjusted basis of the ordinary shares over their fair market value at the end of the taxable year (but only to the extent of the net amount of previously included income as a result of the mark-to-market election). If a U.S. Holder makes the election, his basis in the ordinary shares will be adjusted to reflect any such income or loss amounts. Any gain recognized on the sale or other disposition of ordinary shares, for which the mark-to-market election has been made, will generally be treated as ordinary income.

Alternatively, if we become a PFIC in any year, a U.S. Holder of ordinary shares may wish to avoid the adverse tax consequences resulting from our PFIC status by making a qualified electing fund ("QEF") election with respect to our ordinary shares in such year. If a U.S. Holder makes a QEF election, the holder will be required to include in gross income each year *(i)* as ordinary income, its *pro rata* share of our earnings and profits in excess of net capital gains; and *(ii)* as long-term capital gains, its pro rata share of our net capital gains, in each case, whether or not cash distributions are actually made. The amounts recognized by a U.S. Holder making a QEF election generally are treated as income from sources outside the U.S. If, however, U.S. Holders hold at least half of the ordinary shares, a percentage of our income equal to the proportion of our income that we receive from U.S. sources will be U.S. source income for the U.S. Holders of ordinary shares. Because a U.S. Holder of shares in a PFIC that makes a QEF election is taxed currently on its pro rata share of our income, the amounts recognized will not be subject to tax when they are distributed to the U.S. Holder. An electing U.S. Holder's basis in the ordinary shares will be increased by any amounts included in income currently as described above and decreased by any amounts not subjected to tax at the time of distribution. If we are or become a PFIC, a U.S. Holder would make a QEF election in respect of its ordinary shares by attaching a properly completed IRS Form 8621 in respect of such shares to the holder's timely filed U.S. federal income tax return. For any taxable year that we determine that we are a PFIC, we will *(i)* provide notice of our status as a PFIC as soon as practicable following such taxable year; and *(ii)* comply with all reporting requirements necessary for U.S. Holders to make QEF elections, including providing to shareholders upon request the information necessary for such an election.

Although a U.S. Holder normally is not permitted to make a retroactive QEF election, a retroactive election (a "retroactive QEF election") may be made for a taxable year of the U.S. Holder (the "retroactive election year") if the U.S. Holder *(i)* reasonably believed that, as of the date the QEF election was due, the foreign corporation was not a PFIC for its taxable year that ended during the retroactive election year; and *(ii)* to the extent provided for in applicable Treasury Regulations, filed a protective statement with respect to the foreign corporation, applicable to the retroactive election year, in which the U.S. Holder described the basis for its reasonable belief and extended the period of limitation on the assessment of taxes for all taxable years of the shareholder to which the protective statement applies. If required to be filed to preserve the U.S. Holder's ability to make a retroactive QEF election, the protective statement must be filed by the due date of the investor's return (including extensions) for the first taxable year to which the statement is to apply. U.S. Holders should consult their own tax advisors regarding the advisability of filing a protective statement.

As discussed above, if we are a PFIC, a U.S. Holder of ordinary shares that makes a QEF election (including a proper retroactive QEF election) will be required to include in income currently its pro rata share of our earnings and profits whether or not we actually distribute earnings. The use of earnings to fund reserves or pay down debt or to fund other investments could result in a U.S. Holder of ordinary shares recognizing income in excess of amounts it actually receives. In addition, our income from an investment for U.S. federal income tax purposes may exceed the amount we actually receive. If we are a PFIC and a U.S. Holder makes a valid QEF election in respect of its ordinary shares, such holder may be able to elect to defer payment, subject to an interest charge for the deferral period, of the tax on income recognized on account of the QEF election. Prospective purchasers of ordinary shares should consult their own tax advisors about the advisability of making a QEF election, protective QEF election and deferred payment election.

Miscellaneous itemized deductions of an individual U.S. person can only be deducted to the extent that all of such person's miscellaneous itemized deductions exceed 2% of its adjusted gross income. In addition, an individual's miscellaneous itemized deductions are not deductible for purposes of computing the alternative minimum tax. Certain expenses of AerCap might be a miscellaneous itemized deduction if incurred by an individual. A U.S. person that owns an interest in a "pass-through entity" is treated as recognizing income in an amount corresponding to its share of any item of expense that would be a miscellaneous itemized deduction and as separately deducting that item subject to the limitations described above. If it is determined that we are a PFIC, the IRS could take the position that we are a "pass-through entity" with respect to a U.S. Holder of ordinary shares that makes a QEF election.

Special rules apply to determine the foreign tax credit with respect to withholding taxes imposed on distributions on shares in a PFIC. If a U.S. Holder owns ordinary shares during any year in which we are a PFIC, such holder must file IRS Form 8621.

We urge prospective purchasers of ordinary shares to consult their own tax advisors concerning the tax considerations relevant to an investment in a PFIC, including the availability and consequences of making the mark-to-market election and QEF election discussed above.

Additional tax on net investment income

Certain U.S. Holders that are individuals, trusts or estates may be subject to a 3.8% tax, in addition to otherwise applicable U.S. federal income tax, on the lesser of *(i)* the U.S. Holder's "net investment income" (or undistributed "net investment income," in the case of a trust or estate) for the relevant taxable year; and *(ii)* the excess of the U.S. Holder's modified adjusted gross income (or adjusted gross income, in the case of a trust or estate) for the relevant taxable year above a certain threshold (which in the case of an individual ranges from $125,000 to $250,000, depending on the individual's circumstances). A U.S. Holder's "net investment income" generally includes, among other things, dividend income on and capital gain from the disposition of shares, subject to certain exceptions. Holders should consult their own tax advisors regarding the applicability of this tax to the ordinary shares.

Information reporting and backup withholding

Information reporting to the U.S. IRS generally will be required with respect to payments on the ordinary shares and proceeds of the sale of the ordinary shares paid to holders that are U.S. taxpayers, other than certain corporations and other exempt recipients. A 28% "backup" withholding tax may apply to those payments if such a holder fails to provide a taxpayer identification number to the paying agent and to certify that no loss of exemption from backup withholding has occurred. Holders that are not subject to U.S. taxation may be required to comply with applicable certification procedures to establish that they are not U.S. taxpayers in order to avoid the application of such information reporting requirements and backup withholding. The amounts withheld under the backup withholding rules are not an additional tax and may be refunded, or credited against the holder's U.S. federal income tax liability, if any, provided the required information is furnished to the U.S. IRS.

The above discussion is a general summary. It does not cover all tax matters that may be of importance to particular investors. All prospective investors are strongly urged to consult their own tax advisors about the tax consequences of an investment in our ordinary shares.

Dividends

Dividends may in principle only be paid out of profit as shown in the adopted annual accounts. We will only have power to make distributions to shareholders and other persons entitled to distributable profits to the extent our equity exceeds the sum of the paid and called up portion of the ordinary share capital and the reserves that must be maintained in accordance with provisions of the laws of the Netherlands or our articles of association. The profits must first be used to set up and maintain reserves required by law and must then be set off against certain financial losses. We may not make any distribution of profits on ordinary shares that we hold and have not done so in the past. Our Board of Directors determines whether and how much of the remaining profit it will reserve, and, if the Board of Directors determines that not all of the remaining profit is reserved, the manner and date of a dividend distribution, and notifies shareholders.

All calculations to determine the amounts available for dividends will be based on our annual Dutch GAAP statutory accounts, which may be different from our Consolidated Financial Statements under U.S. GAAP, such as those included in this annual report. Our statutory accounts have to date been prepared, and will continue to be prepared, under Dutch GAAP and are deposited with the Commercial Register in Amsterdam, the Netherlands. Our net income attributable to equity holders of AerCap Holdings N.V. for the year ended December 31, 2016 and our total AerCap Holdings N.V. shareholders' equity as of December 31, 2016 as set forth in our annual statutory accounts were $914.5 million and $8,161.9 million, respectively. We are dependent on dividends or other advances from our operating subsidiaries to fund any dividends we may pay on our ordinary shares.

Documents on display

You may read and copy any document we file with or furnish to the SEC, including this report, at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may also obtain copies of the documents at prescribed rates by writing to the Public Reference Section of the SEC at 100 F Street, N.E., Washington, DC 20549. Please call the SEC at 1-800-SEC-0330 to obtain information on the operation of the Public Reference Room. In addition, the SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. You can review our SEC filings, including this annual report, by accessing the SEC's Internet website at *www.sec.gov*. In addition, you may inspect material we file at the offices of the New York Stock Exchange at 20 Broad Street, New York, New York 10005.

Item 11. Quantitative and Qualitative Disclosures About Market Risk

Our primary market risk exposure is interest rate risk associated with short- and long-term borrowings bearing variable interest rates and lease payments under leases tied to floating interest rates. To manage this interest rate exposure, from time to time, we enter into interest rate swap and cap agreements. We are also exposed to foreign currency risk, which can adversely affect our operating profits. To manage this risk, from time to time, we enter into forward exchange contracts.

The following discussion should be read in conjunction with Note 12—*Derivative assets* and Note 15—*Debt* to our Consolidated Financial Statements included in this annual report, which provide further information on our debt and derivative financial instruments.

Interest rate risk

Interest rate risk is the exposure to changes in the level of interest rates and the spread between different interest rates. Interest rate risk is highly sensitive to many factors, including government monetary policies, global economic factors and other factors beyond our control.

We enter into leases with rents that are based on fixed and variable interest rates, and we fund our operations primarily with a mixture of fixed and floating rate debt. Interest rate exposure arises when there is a mismatch between terms of the associated debt and interest earning assets, primarily between floating rate debt and fixed rate leases. We manage this exposure primarily through the use of interest rate caps, interest rate swaps and interest rate floors using a cash flow-based risk management model. This model takes the expected cash flows generated by our assets and liabilities and then calculates by how much the value of these cash flows will change for a given movement in interest rates.

The principal amount of our outstanding floating rate debt was approximately $8.9 billion, or approximately 31% of the total principal amount of our outstanding indebtedness as of December 31, 2017. If interest rates were to increase by 1%, we would expect a decrease in pre-tax income of approximately $25 million per year. This pre-tax income decrease would include an increase in interest expense, partially offset by benefits of interest rate derivatives currently in effect, leases that are based on variable interest rates and interest earning cash balances. A decrease in interest rates would result in an increase in pre-tax income. This pre-tax income increase would include a decrease in interest expense, partially offset by a decrease in the interest revenue and lease revenue. This sensitivity analysis is limited by several factors, and should not be viewed as a forecast.

The following tables present the average notional amounts and weighted average interest rates which are contracted for the specified year for our derivative financial instruments that are sensitive to changes in interest rates, including our interest rate caps and swaps, as of December 31, 2017. Notional amounts are used to calculate the contractual payments to be exchanged under the contract. Under our interest rate caps, we will receive the excess, if any, of LIBOR, reset monthly or quarterly on an actual/360 adjusted basis, over the strike rate of the relevant cap. For our interest rate swaps, pay rates are based on the fixed rate which we are contracted to pay to our swap counterparty.

	2018	2019	2020	2021	2022	Thereafter	Fair value
	(U.S. Dollars in millions)						
Interest rate caps							
Average notional amounts	$ 2,715.4	$ 2,129.1	$ 1,826.5	$ 1,300.5	$ 763.3	$ 7.1	$ 25.0
Weighted average strike rate	2.3%	2.2%	2.2%	2.3%	2.2%	3.3%	

	2018	2019	2020	2021	2022	Thereafter	Fair value
	(U.S. Dollars in millions)						
Interest rate swaps							
Average notional amounts	$ 1,873.0	$ 1,884.8	$ 1,712.8	$ 926.7	$ 208.3	$ —	$ 23.9
Weighted average pay rate	1.8%	1.8%	1.8%	1.9%	1.9%	—%	

The variable benchmark interest rates associated with these instruments ranged from one- to three-month U.S. dollar LIBOR.

Our Board of Directors is responsible for reviewing our overall interest rate management policies. Our counterparty risk is monitored on an ongoing basis, but is mitigated by the fact that the majority of our interest rate derivative counterparties are required to collateralize in the event of their downgrade by the rating agencies below a certain level.

Foreign currency risk and foreign operations

Our functional currency is U.S. dollars. Foreign exchange risk arises from our and our lessees' operations in multiple jurisdictions. All of our aircraft purchase agreements are negotiated in U.S. dollars, we currently receive substantially all of our revenue in U.S. dollars and we pay our expenses primarily in U.S. dollars. We currently have a limited number of leases denominated in foreign currencies, maintain part of our cash in foreign currencies, pay taxes in foreign currencies, and incur some of our expenses in foreign currencies, primarily the euro. A decrease in the U.S. dollar in relation to foreign currencies increases our lease revenue received from foreign currency denominated leases and our expenses paid in foreign currencies. An increase in the U.S. dollar in relation to foreign currencies decreases our lease revenue received from foreign currency denominated leases and our expenses paid in foreign currencies. Because we currently receive most of our revenues in U.S. dollars and pay most of our expenses in U.S. dollars, a change in foreign exchange rates would not have a material impact on our results of operations or cash flows. We do not have any restrictions or repatriation issues associated with our foreign cash accounts.

Inflation

Inflation generally affects our lease revenue and costs, including selling, general and administrative expenses and other expenses. We do not believe that our financial results have been, or will be in the near future, materially and adversely affected by inflation.

Item 12. Description of Securities Other than Equity Securities

Not applicable.

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies

None.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

Not applicable.

Item 15. Controls and Procedures

Disclosure controls and procedures

Our disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed in this report is recorded, processed, summarized and reported on a timely basis. Our management and the members of our Disclosure Committee, has evaluated, as of December 31, 2017, our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) and Rule 15d-15(e) under the Exchange Act. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of December 31, 2017, our disclosure controls and procedures are effective. These disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to AerCap's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Management's annual report on internal control over financial reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or because the degree of compliance with policies or procedures may deteriorate.

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an assessment of the effectiveness of our internal control over financial reporting as of December 31, 2017. The assessment was based on criteria established in the framework Internal Control—Integrated Framework, issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission in 2013. Based on this assessment, management concluded that our internal control over financial reporting was effective as of December 31, 2017.

Attestation report of the registered public accounting firm

PricewaterhouseCoopers Accountants N.V., the independent registered public accounting firm that audited our Consolidated Financial Statements included in this annual report, audited the effectiveness of our internal controls over financial reporting as of December 31, 2017 under the standards of the Public Company Accounting Oversight Board (United States). Their audit report may be found on page F-2.

Changes in internal control over financial reporting

There were no changes in AerCap's internal controls over financial reporting during the year of 2017 that materially affected, or were reasonably likely to materially affect, the effectiveness of the internal controls over financial reporting.

Item 16A. Audit Committee Financial Expert

Our Board of Directors has determined that James (Jim) Chapman, Marius Jonkhart and James (Jim) Lawrence are "audit committee financial experts," as that term is defined by SEC rules. All members of the Audit Committee are "independent," as that term is defined under applicable NYSE listing standards.

Item 16B. Code of Ethics

Our Board of Directors has adopted our Code of Conduct, a code that applies to the members of our Board of Directors, including its Chairman, our officers and employees. This code is publicly available on our website at *www.aercap.com*.

Item 16C. Principal Accountant Fees and Services

Our auditors charged the following fees for professional services rendered for the years ended December 31, 2017 and 2016:

	Year Ended December 31,	
	2017	2016
	(U.S. Dollars in thousands)	
Audit fees	$ 5,667	$ 5,099
Audit-related fees	—	36
Tax fees	554	737
All other fees	103	131
Total	**$ 6,324**	**$ 6,003**

Audit Fees

Audit fees are defined as the standard audit work that needs to be performed each year in order to issue opinions on our consolidated financial statements and to issue reports on our local statutory financial statements. Also included are services that can only be provided by our auditor, such as auditing of non-recurring transactions and implementation of new accounting policies, reviews of quarterly financial results, consents and comfort letters and any other audit services required for SEC or other regulatory filings.

Audit-Related Fees

Audit-related fees include those other assurance services provided by the independent auditor but not restricted to those that can only be provided by the auditor signing the audit report.

Tax Fees

Tax fees relate to the aggregated fees for services rendered on tax compliance.

All Other Fees

All other fees relates to fees for services rendered on Extensible Business Reporting Language ("XBRL") financial information compliance.

Policy on Pre-Approval of Audit and Non-Audit Services of Independent Auditors

The Audit Committee's policy is to pre-approve all audit and non-audit services provided by our auditor. These services may include audit services, audit related services, tax services and other services, as described above. Pre-approval is detailed as to the particular service or categories of services, and is subject to a specific budget. Our management and our auditor report to the Audit Committee regarding the extent of services provided in accordance with this pre-approval and the fees for the services performed to date on an annual basis. The Audit Committee may also pre-approve additional services on a case-by-case basis. All audit-related fees and tax fees were approved by the Audit Committee.

Item 16D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

The following table presents repurchases of our ordinary shares made by us during the year ended December 31, 2017:

	Number of ordinary shares purchased	Average price paid per ordinary share	Total number of ordinary shares purchased as part of our publicly announced program	Maximum dollar value of ordinary shares that may yet be purchased under the program (U.S. Dollars in millions) (a)
January 2017	2,028,459	$ 43.12	2,028,459	$ 96.6
February 2017	1,672,155	45.86	1,672,155	369.9
March 2017	2,850,495	45.23	2,850,495	241.0
April 2017	2,394,641	44.54	2,394,641	134.3
May 2017	2,320,442	45.04	2,320,442	329.8
June 2017	1,800,896	45.72	1,800,896	247.5
July 2017	1,121,487	48.38	1,121,487	443.2
August 2017	1,991,100	49.18	1,991,100	345.3
September 2017	2,297,214	49.75	2,297,214	231.0
October 2017	677,564	51.77	677,564	395.9
November 2017	2,559,045	51.02	2,559,045	265.4
December 2017	2,019,337	52.52	2,019,337	159.3
Total	**23,732,835**	**$ 47.39**	**23,732,835**	**$ 159.3**

(a) In November 2016, our Board of Directors approved a share repurchase program authorizing total repurchases of up to $250 million of AerCap ordinary shares through March 31, 2017. We completed this share repurchase program on March 6, 2017.

In February 2017, our Board of Directors approved a share repurchase program authorizing total repurchases of up to $350 million of AerCap ordinary shares through June 30, 2017. We completed this share repurchase program on June 12, 2017.

In May 2017, our Board of Directors approved a share repurchase program authorizing total repurchases of up to $300 million of AerCap ordinary shares through September 30, 2017. In July 2017, this share repurchase program was extended to run through December 31, 2017. We completed this share repurchase program on September 26, 2017.

In July 2017, our Board of Directors approved a share repurchase program authorizing total repurchases of up to $250 million of AerCap ordinary shares through December 31, 2017. In October 2017, this share repurchase program was extended to run through March 31, 2018. We completed this share repurchase program on December 14, 2017.

In October 2017, our Board of Directors approved a share repurchase program authorizing total repurchases of up to $200 million of AerCap ordinary shares through March 31, 2018. We completed this share repurchase program on February 21, 2018.

In February 2018, our Board of Directors approved a share repurchase program authorizing total repurchases of up to $200 million of AerCap ordinary shares through June 30, 2018. As of March 2, 2018, the dollar amount remaining under this share repurchase program was $145.7 million.

Item 16F. Change in Registrant's Certifying Accountant

Not applicable.

Item 16G. Corporate Governance

The NYSE requires U.S. domestic entities with shares listed on the exchange to comply with its corporate governance standards. As we are a foreign private issuer, however, the NYSE only requires us to comply with certain NYSE rules relating to audit committees and periodic certifications to the NYSE as long as we comply with home country corporate governance standards (in our case, Dutch corporate governance standards). The NYSE requires that we disclose to investors any significant ways in which our corporate governance practices differ from those followed by U.S. domestic companies under NYSE requirements.

Among these differences, shareholder approval is required by the NYSE prior to the issuance of ordinary shares:

- to a director, officer or substantial security holder of the Company (or their affiliates or entities in which they have a substantial interest) in excess of one percent of either the number of ordinary shares or the voting power outstanding before the issuance, with certain exceptions;
- that will have voting power or number equal to or in excess of 20% of either the voting power or the number of shares, respectively, outstanding before the issuance, with certain exceptions; or
- that will result in a change of control of the issuer.

Under Dutch rules, shareholders can delegate authority to issue ordinary shares to the Board of Directors at the AGM. In the past, our shareholders have delegated authority to issue ordinary shares to our Board at our AGM.

In some situations, NYSE rules are more stringent, and in others the Dutch rules are. Other significant differences include:

- NYSE rules require shareholder approval for changes to equity compensation plans, but under Dutch rules, shareholder approval is only required for changes to equity compensation plans for members of the Board of Directors;
- under Dutch corporate governance rules, the audit and remuneration committees may not be chaired by the Chairman of the Board;
- under Dutch rules, auditors must be appointed by the general meeting of shareholders, but NYSE rules require only that they be appointed by the audit committee;
- both NYSE and Dutch rules require that a majority of the Board of Directors be independent, but the definition of independence under each set of rules is not identical. For example, Dutch rules require a longer "look-back" period for former directors; and
- Dutch rules permit deviation from the rules if the deviations are explained in accordance with the rules, but NYSE rules do not allow such deviations.

Item 16H. Mine Safety Disclosure

Not applicable.

PART III

Item 17. Financial Statements

Not applicable.

Item 18. Financial Statements

Please refer to pages F-1 through F-91 of this annual report.

Item 19. Exhibits

We have filed the following documents as exhibits to this annual report:

Exhibit Number	Description of Exhibit
1.1	Articles of Association
2.1	AerCap Holdings N.V. 2006 Equity Incentive Plan (including form of Stock Option Agreement) (filed as an exhibit to our Registration Statement on Form F-1, File No. 333-138381 and incorporated herein by reference)
2.2	Trust Indenture, dated as of June 26, 2008, among Aircraft Lease Securitisation II Limited, Deutsche Bank Trust Company Americas, as the Cash Manager, Operating Bank and Trustee, Crédit Agricole, as the Initial Primary Liquidity Facility Provider, and Crédit Agricole as the Class A-1 Funding Agent (filed as an exhibit to our Form 6-K on September 11, 2008 and incorporated herein by reference)
2.3	Amended and Restated Facility Agreement, dated as of December 14, 2012, among the Banks and Financial Institutions named therein as ECA Lenders, Crédit Agricole Corporate and Investment Bank, as ECA Agent, National Agent, and Security Trustee, Citibank International PLC, as ECA Agent and National Agent, Jetstream Aircraft Leasing Limited, as Principal Borrower, ALS 3 Limited and Airstream Aircraft Leasing Limited, as Borrowers, AerCap Ireland Limited and AerCap A330 Holdings Limited, as Principal AerCap Obligors, the companies named there in as Lessees and Lessee Parents, Citibank, N.A., as Administrative Agent, and AerCap Holdings, N.V. (filed as an exhibit to our Form 20-F for the year ended December 31, 2014 and incorporated herein by reference)
2.4	Deed of Amendment, dated as of April 9, 2014, relating to the Amended and Restated Facility Agreement, dated as of December 14, 2012, among the Banks and Financial Institutions named therein as ECA Lenders, Crédit Agricole Corporate and Investment Bank, as ECA Agent, National Agent, and Security Trustee, Citibank International PLC, as ECA Agent and National Agent, Jetstream Aircraft Leasing Limited, as Principal Borrower, ALS 3 Limited and Airstream Aircraft Leasing Limited, as Borrowers, AerCap Ireland Limited and AerCap A330 Holdings Limited, as Principal AerCap Obligors, the companies named there in as Lessees and Lessee Parents, Citibank, N.A., as Administrative Agent, and AerCap Holdings, N.V. (filed as an exhibit to our Form 20-F for the year ended December 31, 2014 and incorporated herein by reference)
2.5	Subscription Agreement dated as of October 25, 2010 between AerCap Holdings N.V., Waha AC Coöperatief U.A. and Waha Capital PJSC (filed as an exhibit to our Form 20-F for the year ended December 31, 2013 and incorporated herein by reference)
2.6	AerCap Holdings N.V. 2012 Equity Incentive Plan (filed as an exhibit to our Registration Statement on Form S-8, File No. 333-180323 and incorporated herein by reference)
2.7	Indenture related to the 6.375% Senior Unsecured Notes due 2017, dated as of May 22, 2012 (filed as an exhibit to our Registration Statement on Form F-4, File No. 333-182169-01 and incorporated herein by reference)
2.8	First Supplemental Indenture related to the 6.375% Senior Unsecured Notes due 2017, dated as of June 15, 2012, among AerCap Aviation Solutions B.V., AerCap Holdings N.V. and Wilmington Trust, National Association, as trustee (filed as an exhibit to our Registration Statement on Form F-4, File No. 333-182169-01 and incorporated herein by reference)
2.9	Third Amended and Restated Credit Agreement, dated as of May 10, 2013, among the Service Providers and Financial Institutions named therein, Credit Suisse AG, New York Branch, Deutsche Bank Trust Company Americas, AerFunding 1 Limited and AerCap Ireland Limited (filed as an exhibit to our Form 20-F for the year ended December 31, 2013 and incorporated herein by reference)

Exhibit Number	Description of Exhibit
2.10	Amended and Restated Registration Rights Agreement, dated as of December 16, 2013, between AerCap Holdings N.V. and Waha AC Coöperatief U.A.(filed as an exhibit to our Form 20-F for the year ended December 31, 2013 and incorporated herein by reference)
2.11	Five-Year Revolving Credit Agreement dated as of December 16, 2013, among AerCap Holdings N.V., AerCap Ireland Capital Limited, the Subsidiary Guarantors Party thereto and American International Group, Inc. (filed as an exhibit to our Form 20-F for the year ended December 31, 2013 and incorporated herein by reference)
2.12	Guarantee Assumption Agreement to the Five-Year Revolving Credit Agreement, dated as of May 14, 2014, by each of the Additional Subsidiary Guarantors party thereto (filed as an exhibit to our Form 20-F for the year ended December 31, 2014 and incorporated herein by reference)
2.13	Second Amended and Restated Revolving Credit Agreement, dated as of February 15, 2017, among AerCap Holdings N.V., AerCap Ireland Capital Designated Activity Company, AerCap Aviation Solutions B.V., AerCap Ireland Limited, AerCap Global Aviation Trust, AerCap U.S. Global Aviation LLC, International Lease Finance Corporation, the lending institutions party thereto and Citibank, N.A., as administrative agent.
2.14	Registration Rights Agreement, dated as of June 9, 2015, between AerCap Global Aviation Trust, American International Group, Inc. and the Guarantors party thereto (filed as an exhibit to our Form 20-F for the year ended December 31, 2015 and incorporated herein by reference)
2.15	Indenture, dated as of May 14, 2014, among AerCap Ireland Capital Limited, AerCap Global Aviation Trust, AerCap Holdings N.V., the Guarantors party thereto and Wilmington Trust, National Association, as Trustee (filed as an exhibit to our Form 20-F for the year ended December 31, 2014 and incorporated herein by reference)
2.16	First Supplemental Indenture, dated as of May 14, 2014, to the Indenture, dated as of May 14, 2014, by and among AerCap Ireland Capital Limited, AerCap Global Aviation Trust, AerCap Holdings N.V., the Guarantors party thereto and Wilmington Trust, National Association, as Trustee (filed as an exhibit to our Form 20-F for the year ended December 31, 2014 and incorporated herein by reference)
2.17	Second Supplemental Indenture, dated as of May 14, 2014, to the Indenture, dated as of May 14, 2014, by and among AerCap Ireland Capital Limited, AerCap Global Aviation Trust, AerCap Holdings N.V., the Guarantors party thereto and Wilmington Trust, National Association, as Trustee (filed as an exhibit to our Form 20-F for the year ended December 31, 2014 and incorporated herein by reference)
2.18	Third Supplemental Indenture, dated as of May 14, 2014, to the Indenture, dated as of May 14, 2014, by and among AerCap Ireland Capital Limited, AerCap Global Aviation Trust, AerCap Holdings N.V., the Guarantors party thereto and Wilmington Trust, National Association, as Trustee (filed as an exhibit to our Form 20-F for the year ended December 31, 2014 and incorporated herein by reference)
2.19	Fourth Supplemental Indenture, dated as of September 29, 2014, to the Indenture, dated as of May 14, 2014, by and among AerCap Ireland Capital Limited, AerCap Global Aviation Trust, AerCap Holdings N.V., the Guarantors party thereto and Wilmington Trust, National Association, as Trustee (filed as an exhibit to our Form 20-F for the year ended December 31, 2014 and incorporated herein by reference)
2.20	Fifth Supplemental Indenture, dated as of September 29, 2014, to the Indenture, dated as of May 14, 2014, by and among AerCap Ireland Capital Limited, AerCap Global Aviation Trust, AerCap Holdings N.V., the Guarantors party thereto and Wilmington Trust, National Association, as Trustee (filed as an exhibit to our Form 20-F for the year ended December 31, 2014 and incorporated herein by reference)

Exhibit Number	Description of Exhibit
2.21	Sixth Supplemental Indenture, dated as of June 25, 2015, to the Indenture, dated as of May 14, 2014, by and among AerCap Ireland Capital Limited, AerCap Global Aviation Trust, AerCap Holdings N.V., the Guarantors party thereto and Wilmington Trust, National Association, as Trustee (filed as an exhibit to our Form 6-K on June 25, 2015 and incorporated herein by reference)
2.22	Seventh Supplemental Indenture, dated as of June 25, 2015, to the Indenture, dated as of May 14, 2014, by and among AerCap Ireland Capital Limited, AerCap Global Aviation Trust, AerCap Holdings N.V., the Guarantors party thereto and Wilmington Trust, National Association, as Trustee (filed as an exhibit to our Form 6-K on June 25, 2015 and incorporated herein by reference)
2.23	Eighth Supplemental Indenture, dated as of October 21, 2015, to the Indenture, dated as of May 14, 2014, by and among AerCap Ireland Capital Limited, AerCap Global Aviation Trust, AerCap Holdings N.V., the Guarantors party thereto and Wilmington Trust, National Association, as Trustee (filed as an exhibit to our Form 6-K on October 22, 2015 and incorporated herein by reference)
2.24	Ninth Supplemental Indenture, dated as of May 23, 2016, to the Indenture, dated as of May 14, 2014, by and among AerCap Ireland Capital Limited, AerCap Global Aviation Trust, AerCap Holdings N.V., the Guarantors party thereto and Wilmington Trust, National Association, as Trustee (filed as an exhibit to our Form 6-K on May 23, 2016 and incorporated herein by reference)
2.25	Tenth Supplemental Indenture, dated as of January 26, 2017, to the Indenture, dated as of May 14, 2014, by and among AerCap Ireland Capital Designated Activity Company, AerCap Global Aviation Trust, AerCap Holdings N.V., the Guarantors party thereto and Wilmington Trust, National Association, as Trustee (filed as an exhibit to our Form 6-K on January 26, 2017 and incorporated herein by reference)
2.26	Eleventh Supplemental Indenture, dated as of January 26, 2017, to the Indenture, dated as of May 14, 2014, by and among AerCap Ireland Capital Designated Activity Company, AerCap Global Aviation Trust, AerCap Holdings N.V., the Guarantors party thereto and Wilmington Trust, National Association, as Trustee (filed as an exhibit to our Form 6-K on January 26, 2017 and incorporated herein by reference)
2.27	Twelfth Supplemental Indenture, dated as of July 21, 2017, to the Indenture, dated as of May 14, 2014, by and among AerCap Ireland Capital Designated Activity Company, AerCap Global Aviation Trust, AerCap Holdings N.V., the Guarantors party thereto and Wilmington Trust, National Association, as Trustee (filed as an exhibit to our Form 6-K on July 21, 2017 and incorporated herein by reference)
2.28	Thirteenth Supplemental Indenture, dated as of November 21, 2017, to the Indenture, dated as of May 14, 2014, by and among AerCap Ireland Capital Designated Activity Company, AerCap Global Aviation Trust, AerCap Holdings N.V., the Guarantors party thereto and Wilmington Trust, National Association, as Trustee (filed as an exhibit to our Form 6-K on November 21, 2017 and incorporated herein by reference)
2.29	Fourteenth Supplemental Indenture, dated as of January 23, 2018, to the Indenture, dated as of May 14, 2014, by and among AerCap Ireland Capital Designated Activity Company, AerCap Global Aviation Trust, AerCap Holdings N.V., the Guarantors party thereto and Wilmington Trust, National Association, as Trustee (filed as an exhibit to our Form 6-K on January 23, 2018 and incorporated herein by reference)

Exhibit Number	Description of Exhibit
2.30	Fifteenth Supplemental Indenture, dated as of January 23, 2018, to the Indenture, dated as of May 14, 2014, by and among AerCap Ireland Capital Designated Activity Company, AerCap Global Aviation Trust, AerCap Holdings N.V., the Guarantors party thereto and Wilmington Trust, National Association, as Trustee (filed as an exhibit to our Form 6-K on January 23, 2018 and incorporated herein by reference)
2.31	Registration Agreement, dated as of September 2, 2014, between AerCap Holdings N.V., Waha AC Coöperatief U.A., Citigroup Global Markets Inc., Deutsche Bank Securities Inc., Nomura International plc, Citibank N.A., London Branch, and Deutsche Bank AG, London Branch (filed as an exhibit to our Form 6-K on September 5, 2014 and incorporated herein by reference)
2.32	Registration Agreement, dated as of December 1, 2014, between AerCap Holdings N.V., Waha AC Coöperatief U.A., Deutsche Bank Securities Inc., Citibank N.A., London Branch, Deutsche Bank AG, London Branch, and UBS AG, London Branch (filed as an exhibit to our Form 6-K on December 3, 2014 and incorporated herein by reference)
2.33	Indenture dated as of November 1, 1991, between ILFC and U.S. Bank Trust National Association, as Trustee (successor to Continental Bank, National Association) (filed as an exhibit to the ILFC Registration Statement No. 33-43698 and incorporated herein by reference)
2.34	First Supplemental Indenture, dated as of November 1, 2000, to the Indenture dated as of November 1, 1991, between ILFC and U.S. Bank Trust National Association, as Trustee (filed as an exhibit to the ILFC Form 10-K for the year ended December 31, 2000 and incorporated herein by reference)
2.35	Second Supplemental Indenture, dated as of February 28, 2001, to the indenture between ILFC and U.S. Bank Trust National Association (filed as an exhibit to the ILFC Form 10-Q for the quarter ended March 31, 2001 and incorporated herein by reference)
2.36	Third Supplemental Indenture, dated as of September 26, 2001, to the Indenture dated as of November 1, 1991, between ILFC and U.S. Bank Trust National Association, as Trustee (filed as an exhibit to the ILFC Form 10-Q for the quarter ended September 30, 2001 and incorporated herein by reference)
2.37	Fourth Supplemental Indenture, dated as of November 6, 2002, to the Indenture dated as of November 1, 1991, between ILFC and U.S. Bank National Association, as Trustee (filed as an exhibit to the ILFC Form 10-K for the year ended December 31, 2002 and incorporated herein by reference)
2.38	Fifth Supplemental Indenture, dated as of December 27, 2002, to the Indenture dated as of November 1, 1991, between ILFC and U.S. Bank National Association, as Trustee (filed as an exhibit to the ILFC Form 10-K for the year ended December 31, 2002 and incorporated herein by reference)
2.39	Sixth Supplemental Indenture, dated as of June 2, 2003, to the Indenture dated as of November 1, 1991, between ILFC and U.S. Bank National Association, as Trustee (filed as an exhibit to the ILFC Form 10-Q for the quarter ended September 30, 2003 and incorporated herein by reference)
2.40	Seventh Supplemental Indenture, dated as of October 8, 2004, to the Indenture dated as of November 1, 1991, between ILFC and U.S. Bank National Association, as Trustee (filed as an exhibit to the ILFC Form 8-K filed on October 14, 2004 and incorporated herein by reference)
2.41	Eighth Supplemental Indenture, dated as of October 5, 2005, to the Indenture dated as of November 1, 1991, between ILFC and U.S. Bank National Association, as Trustee (filed as an exhibit to the ILFC Form 10-K for the year ended December 31, 2005 and incorporated herein by reference)

Exhibit Number	Description of Exhibit
2.42	Ninth Supplemental Indenture, dated as of October 5, 2006, to the Indenture dated as of November 1, 1991, between ILFC and U.S. Bank National Association, as Trustee (filed as an exhibit to the ILFC Form 10-K for the year ended December 31, 2007 and incorporated herein by reference)
2.43	Tenth Supplemental Indenture, dated as of October 9, 2007, to the Indenture dated as of November 1, 1991, between ILFC and U.S. Bank National Association, as Trustee (filed as an exhibit to the ILFC Form 10-K for the year ended December 31, 2007 and incorporated herein by reference)
2.44	Eleventh Supplemental Indenture, dated as of May 14, 2014, to the Indenture dated as of November 1, 1991, between ILFC and U.S. Bank National Association, as Trustee (filed as an exhibit to the ILFC Form 8-K on May 15, 2014 and incorporated herein by reference)
2.45	Indenture dated as of November 1, 2000, between ILFC and the Bank of New York, as Trustee (filed as an exhibit to the ILFC Registration Statement No. 333-49566 and incorporated herein by reference)
2.46	First Supplemental Indenture, dated as of August 16, 2002 to the Indenture dated as of November 1, 2000, between ILFC and the Bank of New York, as Trustee (filed as Exhibit 4.2 to the ILFC Registration Statement No. 333-100340 and incorporated herein by reference)
2.47	Second Supplemental Indenture, dated as of May 14, 2014, to the Indenture dated as of November 1, 2000, between ILFC and Bank of New York, as Trustee (filed as an exhibit to the ILFC Form 8-K on May 15, 2014 and incorporated herein by reference)
2.48	Indenture, dated as of August 1, 2006, between ILFC and Deutsche Bank Trust Company Americas, as Trustee (filed as Exhibit 4.1 to the ILFC Registration Statement No. 333-136681 and incorporated herein by reference)
2.49	First Supplemental Indenture, dated as of August 20, 2010, to the Indenture dated as of August 1, 2006, between ILFC and Deutsche Bank Trust Company Americas, as Trustee (filed as an exhibit to the ILFC Form 8-K filed on August 20, 2010 and incorporated herein by reference)
2.50	Second Supplemental Indenture, dated as of December 7, 2010, to the Indenture dated as of August 1, 2006, between ILFC and Deutsche Bank Trust Company Americas, as Trustee (filed as an exhibit to the ILFC Form 8-K filed on December 7, 2010 and incorporated herein by reference)
2.51	Third Supplemental Indenture, dated as of May 24, 2011, to the Indenture dated August 1, 2006, between ILFC and Deutsche Bank Trust Company Americas, as Trustee (filed as an exhibit to the ILFC Form 8-K filed on May 24, 2011, and incorporated herein by reference)
2.52	Fourth Supplemental Indenture, dated as of December 22, 2011, to the Indenture dated as of August 1, 2006, between ILFC and Deutsche Bank Trust Company Americas, as Trustee (filed as an exhibit to the ILFC Form 8-K filed on December 22, 2011 and incorporated herein by reference)
2.53	Fifth Supplemental Indenture, dated as of March 19, 2012, to the Indenture dated August 1, 2006, between ILFC and Deutsche Bank Trust Company Americas, as Trustee (filed as an exhibit to the ILFC Form 8-K filed on March 19, 2012 and incorporated herein by reference)
2.54	Sixth Supplemental Indenture, dated as of August 21, 2012, to the Indenture dated August 1, 2006, between ILFC and Deutsche Bank Trust Company Americas, as Trustee (filed as an exhibit to the ILFC Form 8-K filed on August 21, 2012 and incorporated herein by reference)
2.55	Seventh Supplemental Indenture, dated as of March 11, 2013, to the Indenture dated August 1, 2006, between ILFC and Deutsche Bank Trust Company Americas, as Trustee (filed as an exhibit to the ILFC Form 8-K filed on March 11, 2013 and incorporated herein by reference)

Exhibit Number	Description of Exhibit
2.56	Eighth Supplemental Indenture, dated as of May 24, 2013, to the Indenture dated August 1, 2006, between ILFC and Deutsche Bank Trust Company Americas, as Trustee (filed as an exhibit to the ILFC Form 8-K filed on May 24, 2013 and incorporated herein by reference)
2.57	Ninth Supplemental Indenture, dated as of May 14, 2014, to the Indenture dated August 1, 2006, between ILFC and Deutsche Bank Trust Company Americas, as Trustee (filed as an exhibit to the ILFC Form 8-K filed on May 15, 2014 and incorporated herein by reference)
2.58	Officers' Certificate, dated as of August 20, 2010, establishing the terms of the 8.875% senior notes due 2017 (filed as an exhibit to the ILFC Form 8-K filed on August 20, 2010 and incorporated herein by reference)
2.59	Officers' Certificate, dated as of December 7, 2010, establishing the terms of the 8.25% senior notes due 2020 (filed as an exhibit to the ILFC Form 8-K filed on December 7, 2010 and incorporated herein by reference)
2.60	Officers' Certificate, dated as of May 24, 2011, establishing the terms of the 5.75% senior notes due 2016 and the 6.25% senior notes due 2019 (filed as an exhibit to the ILFC Form 8-K filed on May 24, 2011 and incorporated herein by reference)
2.61	Officers' Certificate, dated as of December 22, 2011, establishing the terms of the 8.625% senior notes due 2022 (filed as an exhibit to the ILFC Form 8-K filed on December 22, 2011 and incorporated herein by reference)
2.62	Officers' Certificate, dated as of March 19, 2012, establishing the terms of the 4.875% senior notes due 2015 and the 5.875% senior notes due 2019 (filed as an exhibit to the ILFC Form 8-K filed on March 19, 2012 and incorporated herein by reference)
2.63	Officers' Certificate, dated as of August 21, 2012, establishing the terms of the 5.875% senior notes due 2022 (filed as an exhibit to the ILFC Form 8-K filed on August 21, 2012 and incorporated herein by reference)
2.64	Officers' Certificate, dated as of March 11, 2013, establishing the terms of the 3.875% senior notes due 2018 and the 4.625% senior notes due 2021 (filed as an exhibit to the ILFC Form 8-K filed on March 11, 2013 and incorporated herein by reference)
2.65	Indenture, dated as of March 22, 2010, among ILFC, Wilmington Trust FSB, as Trustee, and Deutsche Bank Trust Company Americas, as Paying Agent, Security Registrar and Authentication Agent (filed as an exhibit to the ILFC Form 8-K filed on March 24, 2010 and incorporated herein by reference)
2.66	First Supplemental Indenture, dated as of May 14, 2014, to the Indenture, dated March 22, 2010, by and among ILFC, AerCap Global Aviation Trust, Wilmington Trust FSB, as Trustee, and Deutsche Bank Trust Company Americas (filed as an exhibit to the ILFC Form 8-K filed on May 15, 2014 and incorporated herein by reference)
2.67	Indenture, dated as of August 11, 2010, between ILFC and The Bank of New York Mellon Trust Company, N.A., as Trustee (filed as an exhibit to the ILFC Form 8-K filed on August 20, 2010 and incorporated herein by reference)
2.68	First Supplemental Indenture, dated as of May 14, 2014, to the Indenture, dated August 11, 2010, by and between ILFC, AerCap Global Aviation Trust, the guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as Trustee (filed as an exhibit to the ILFC Form 8-K filed on May 15, 2014 and incorporated herein by reference)
2.69	Junior Subordinated Indenture, dated as of December 21, 2005, by and between ILFC and Deutsche Bank Trust Company Americas, as Trustee (filed as an exhibit to the ILFC Form 8-K filed on July 26, 2013 and incorporated herein by reference)

Exhibit Number	Description of Exhibit
2.70	First Supplemental Indenture, dated as of July 25, 2013, to the Junior Subordinated Indenture, dated as of December 21, 2005, by and between ILFC and Deutsche Bank Trust Company Americas, as Trustee (filed as an exhibit to the ILFC Form 8-K filed on July 26, 2013 and incorporated herein by reference)
2.71	Second Supplemental Indenture, dated as of July 25, 2013, to the Junior Subordinated Indenture, dated as of December 21, 2005, by and between ILFC and Deutsche Bank Trust Company Americas, as Trustee (filed as an exhibit to the ILFC Form 8-K filed on July 26, 2013 and incorporated herein by reference)
2.72	Third Supplemental Indenture, dated as of May 14, 2014, to the Junior Subordinated Indenture, dated as of December 21, 2005, by and between ILFC, AerCap Global Aviation Trust and Deutsche Bank Trust Company Americas, as Trustee (filed as an exhibit to the ILFC Form 8-K filed on May 15, 2014 and incorporated herein by reference)
2.73	Amended and Restated 5.90% Junior Subordinated Debenture due 2065 (filed as an exhibit to the ILFC Form 8-K filed on July 26, 2013 and incorporated herein by reference)
2.74	Amended and Restated 6.25% Junior Subordinated Debenture due 2065 (filed as an exhibit to the ILFC Form 8-K filed on July 26, 2013 and incorporated herein by reference)
2.75	Aircraft Mortgage and Security Agreement and Guaranty, dated as of August 11, 2010, among ILFC, ILFC Ireland Limited, ILFC (Bermuda) III, Ltd., the additional grantors referred to therein, and Wells Fargo Bank Northwest, National Association, entered into in connection with the Indenture, dated as of August 11, 2010, between ILFC and The Bank of New York Mellon Trust Company, N.A., as Trustee (portions of this exhibit have been omitted pursuant to a request for confidential treatment) (filed as an exhibit to the ILFC Form 10-Q for the quarter ended September 30, 2010 and incorporated herein by reference)
2.76	Term Loan Credit Agreement, dated as of March 30, 2011, among Temescal Aircraft Inc., as borrower, ILFC, Park Topanga Aircraft Inc., Charmlee Aircraft Inc., and Ballysky Aircraft Ireland Limited, as obligors, the lenders identified therein, Citibank N.A., as administrative agent and collateral agent, Citigroup Global Markets Inc. and Credit Suisse Securities (USA) LLC, as joint lead structuring agents and joint lead placement agents, and BNP Paribas, as joint placement agent (portions of this exhibit have been omitted pursuant to a request for confidential treatment) (filed as an exhibit to the ILFC Form 10-Q for the quarter ended March 31, 2011 and incorporated herein by reference)
2.77	First Amendment to Term Loan Credit Agreement, dated as of April 2, 2014, among Temescal Aircraft Inc., as borrower, ILFC, Park Topanga Aircraft Inc., Charmlee Aircraft Inc., Ballysky Aircraft Ireland Limited, AerCap Global Aviation Trust, the acceding obligors identified therein, and Citibank N.A., as collateral agent and administrative agent (filed as an exhibit to the ILFC Form 10-Q for the quarter ended March 31, 2014 and incorporated herein by reference)
2.78	Second Amendment to Term Loan Credit Agreement, dated as of March 31, 2015, among Temescal Aircraft LLC (as successor to Temescal Aircraft Inc.), as borrower, Park Topanga Aircraft LLC (as successor to Park Topanga Aircraft Inc.), Charmlee Aircraft Inc., Ballysky Aircraft Ireland Limited, AerCap Global Aviation Trust, the Guarantors identified therein, and Citibank N.A., as collateral agent and administrative agent (filed as an exhibit to our Form 20-F for the year ended December 31, 2015 and incorporated herein by reference)
2.79	Third Amendment to Term Loan Credit Agreement, dated as of February 9, 2017, among Temescal Aircraft LLC (as successor to Temescal Aircraft Inc.), as borrower, Park Topanga Aircraft LLC (as successor to Park Topanga Aircraft Inc.), Charmlee Aircraft Inc., Ballysky Aircraft Ireland Limited, AerCap Global Aviation Trust, the Guarantors identified therein, and Citibank N.A., as collateral agent and administrative agent (filed as an exhibit to our Form 20-F for the year ended December 31, 2016 and incorporated herein by reference)

Exhibit Number	Description of Exhibit
2.80	Aircraft Mortgage and Security Agreement, dated as of March 30, 2011, among Park Topanga Aircraft Inc., Temescal Aircraft Inc., Ballysky Aircraft Ireland Limited, Charmlee Aircraft Inc., the additional grantors referred to therein, and Citibank, N.A., as collateral agent (filed as an exhibit to the ILFC Form 10-Q for the quarter ended March 31, 2011 and incorporated herein by reference)
2.81	Incremental Lender Assumption Agreement, dated as of April 21, 2011, among Temescal Aircraft Inc., ILFC, Park Topanga Aircraft Inc., Charmlee Aircraft Inc., Ballysky Aircraft Ireland Limited, KfW IPEX-Bank GmbH, as the incremental lender, and Citibank, N.A., as administrative agent (portions of this exhibit have been omitted pursuant to a request for confidential treatment) (filed as an exhibit to the ILFC Form 10-Q for the quarter ended March 31, 2011 and incorporated herein by reference)
2.82	Term Loan Credit Agreement, dated as of February 23, 2012, among Flying Fortress Inc., as borrower, ILFC, Flying Fortress Financing Inc., Flying Fortress US Leasing Inc., and Flying Fortress Ireland Leasing Limited, as obligors, the lenders identified therein, Bank of America, N.A., as administrative agent and collateral agent, and Deutsche Bank Securities Inc., as syndication agent (portions of this exhibit have been omitted pursuant to a request for confidential treatment) (filed as an exhibit to the ILFC Form 10-K for the year ended December 31, 2011 and incorporated herein by reference)
2.83	First Amendment to Credit Agreement, dated as of April 5, 2013, among Flying Fortress Inc., as borrower, ILFC, Flying Fortress Financing Inc., Flying Fortress US Leasing Inc. and Flying Fortress Ireland Leasing Limited, as the borrower parties, the Consenting Lenders named therein, the New Lenders named therein, Bank of America, N.A., as collateral agent and administrative agent, and Royal Bank of Canada (filed as an exhibit to the ILFC Form 10-Q for the quarter ended March 31, 2013 and incorporated herein by reference)
2.84	Second Amendment to Term Loan Credit Agreement, dated as of April 2, 2014, among Flying Fortress Inc., as borrower, ILFC, Flying Fortress Financing Inc., Flying Fortress US Leasing Inc., Flying Fortress Ireland Leasing Limited, AerCap Global Aviation Trust, the acceding obligors identified therein, and Bank of America N.A., as collateral agent and administrative agent (filed as an exhibit to the ILFC Form 10-Q for the quarter ended March 31, 2014 and incorporated herein by reference)
2.85	Third Amendment to Term Loan Credit Agreement, dated as of May 6, 2015, among Flying Fortress Holdings, LLC (as successor to Flying Fortress, Inc.), as borrower, ILFC, Flying Fortress Financing, LLC, Flying Fortress US Leasing Inc., Flying Fortress Ireland Leasing Limited, AerCap Global Aviation Trust, the Additional Obligors identified therein, Bank of America N.A., as collateral agent and administrative agent, and Royal Bank of Canada (filed as an exhibit to our Form 20-F for the year ended December 31, 2015 and incorporated herein by reference)
2.86	Fourth Amendment to Term Loan Credit Agreement, dated as of December 21, 2016, among Flying Fortress Holdings, LLC (as successor to Flying Fortress, Inc.), as borrower, ILFC, Flying Fortress Financing, LLC, Flying Fortress US Leasing Inc., Flying Fortress Ireland Leasing Limited, AerCap Global Aviation Trust, the Additional Obligors identified therein, Bank of America N.A., as collateral agent and administrative agent, and Royal Bank of Canada (filed as an exhibit to our Form 20-F for the year ended December 31, 2016 and incorporated herein by reference)
2.87	Fifth Amendment to Term Loan Credit Agreement, dated as of August 2, 2017, among Flying Fortress Holdings, LLC (as successor to Flying Fortress, Inc.), as borrower, ILFC, Flying Fortress Financing, LLC, Flying Fortress US Leasing Inc., Flying Fortress Ireland Leasing Limited, AerCap Global Aviation Trust, the Additional Obligors identified therein, Bank of America N.A., as collateral agent and administrative agent, and Royal Bank of Canada

Exhibit Number	Description of Exhibit
2.88	Term Loan Security Agreement, dated as of February 23, 2012, among Flying Fortress Financing Inc., Flying Fortress Inc., Flying Fortress Ireland Leasing Limited, Flying Fortress US Leasing Inc., and the additional grantors referred to therein, as grantors, and Bank of America N.A., as collateral agent (filed as an exhibit to the ILFC Form 10-K for the year ended December 31, 2011 and incorporated herein by reference)
2.89	Term Loan Credit Agreement, dated as of March 6, 2014, among Delos Finance S.À.R.L., as borrower, ILFC, Hyperion Aircraft Limited, Delos Aircraft Limited, Apollo Aircraft Inc., and Artemis (Delos) Limited as obligors, the lenders identified therein, and Deutsche Bank AG New York Branch, as administrative agent and collateral agent (portions of this exhibit have been omitted pursuant to a request for confidential treatment) (filed as an exhibit to the ILFC Form 10-Q for the quarter ended March 31, 2014 and incorporated herein by reference)
2.90	First Amendment to Term Loan Credit Agreement, dated as of April 3, 2014, among Delos Finance S.À.R.L., as borrower, ILFC, Hyperion Aircraft Limited, Delos Aircraft Limited, Apollo Aircraft Inc., Artemis (Delos) Limited, AerCap Global Aviation Trust, the acceding obligors identified therein, and Deutsche Bank AG New York Branch, as collateral agent and administrative agent (filed as an exhibit to the ILFC Form 10-Q for the quarter ended March 31, 2014 and incorporated herein by reference)
2.91	Second Amendment to Term Loan Credit Agreement, dated as of January 19, 2017, among Delos Finance S.À.R.L., as borrower, ILFC, Hyperion Aircraft Limited, Delos Aircraft Limited, Apollo Aircraft Inc., Artemis (Delos) Limited, AerCap Global Aviation Trust, the Additional Obligors identified therein, and Deutsche Bank AG New York Branch, as collateral agent and administrative agent (filed as an exhibit to our Form 20-F for the year ended December 31, 2016 and incorporated herein by reference)
2.92	Third Amendment to Term Loan Credit Agreement, dated as of August 9, 2017, among Delos Finance S.À.R.L., as borrower, ILFC, Hyperion Aircraft Limited, Delos Aircraft Limited, Apollo Aircraft Inc., Artemis (Delos) Limited, AerCap Global Aviation Trust, the Additional Obligors identified therein, and Deutsche Bank AG New York Branch, as collateral agent and administrative agent
2.93	Term Loan Security Agreement, dated as of March 6, 2014, among Hyperion Aircraft Limited, Delos Aircraft Limited, Delos Finance S.À.R.L., Artemis (Delos) Limited, Apollo Aircraft Inc., and the additional grantors referred to therein as grantors, and Deutsche Bank AG New York Branch, as collateral agent (filed as an exhibit to the ILFC Form 10-Q for the quarter ended March 31, 2014 and incorporated herein by reference)
2.94	AerCap Holdings N.V. 2014 Equity Incentive Plan (filed as an exhibit to our Registration Statement on Form S-8, File No. 333-194638 and incorporated herein by reference)
2.95	The Company agrees to furnish to the SEC upon request a copy of each instrument with respect to issues of long-term debt of the Company and its subsidiaries, the authorized principal amount of which does not exceed 10% of the consolidated assets of the Company and its subsidiaries
4.1	Aircraft Purchase Agreement, dated as of December 30, 2005, between Airbus S.A.S. and AerVenture Limited (filed as an exhibit to our Registration Statement on Form F-1, File No. 333-138381 and incorporated herein by reference)
4.2	Agreement and Plan of Amalgamation, dated as of September 17, 2009, among AerCap Holdings N.V., Genesis Lease Limited and AerCap International Bermuda Limited (filed as an exhibit to our Form 6-K on September 18, 2009 and incorporated herein by reference)
4.3	Framework Deed, dated as of May 28, 2013, between AerCap Holdings N.V. and LATAM Airlines Group S.A. (portions of which have been omitted pursuant to a request for confidential treatment) (filed as an exhibit to our Form 20-F for the year ended December 31, 2013 and incorporated herein by reference)

Exhibit Number	Description of Exhibit
4.4	Share Purchase Agreement, dated as of December 16, 2013, among AIG Capital Corporation, American International Group, Inc., AerCap Holdings N.V. and AerCap Ireland Limited (filed as an exhibit to our Form 20-F for the year ended December 31, 2013 and incorporated herein by reference)
4.5	Share Repurchase Agreement, dated as of June 1, 2015, among AIG Capital Corporation, American International Group, Inc., the guarantors named therein, AerCap Holdings N.V. and AerCap Global Aviation Trust (filed as an exhibit to American International Group, Inc.'s Form 8-K on June 4, 2015 and incorporated herein by reference)
8.1	List of Subsidiaries of AerCap Holdings N.V.
12.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
12.2	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
13.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
15.1	Consent of PricewaterhouseCoopers Accountants, N.V., an independent registered public accounting firm
101	The following financial information formatted in Extensible Business Reporting Language (XBRL): (1) Consolidated Balance Sheets as of December 31, 2017 and 2016 (2) Consolidated Income Statements for the Years Ended December 31, 2017, 2016 and 2015 (3) Consolidated Statements of Comprehensive Income for the Years Ended December 31, 2017, 2016 and 2015 (4) Consolidated Statements of Cash Flows for the Years Ended December 31, 2017, 2016 and 2015 (5) Consolidated Statements of Equity for the Years Ended December 31, 2017, 2016 and 2015

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

AERCAP HOLDINGS N.V.

By: /s/ AENGUS KELLY

Aengus Kelly
Chief Executive Officer

Date: March 9, 2018

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AerCap Holdings N.V. Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of AerCap Holdings N.V.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of AerCap Holdings N.V. and its subsidiaries as of December 31, 2017 and December 31, 2016, and the related consolidated statements of income, comprehensive income, cash flows, and equity for each of the three years in the period ended December 31, 2017, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2017, based on criteria established in *Internal Control—Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2017 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2017, based on criteria established in *Internal Control—Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's annual report on internal control over Financial Reporting under Item 15. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Amsterdam, March 9, 2018

PricewaterhouseCoopers Accountants N.V.

/s/ W.J. van der Molen RA

We have served as the Company's or its predecessor's auditor since at least 1998, which includes periods before the Company became subject to SEC reporting requirements. We have not determined the specific year we began serving as auditor of the Company or a predecessor company.

AerCap Holdings N.V. and Subsidiaries

Consolidated Balance Sheets

As of December 31, 2017 and 2016

	Note	As of December 31, 2017	As of December 31, 2016
		(U.S. Dollars in thousands, except share data)	
Assets			
Cash and cash equivalents		$ 1,659,669	$ 2,035,447
Restricted cash	4	364,456	329,180
Trade receivables		73,877	64,923
Flight equipment held for operating leases, net	5	32,396,827	31,501,973
Maintenance rights intangible and lease premium, net	7	1,501,858	2,167,925
Flight equipment held for sale	8	630,789	107,392
Net investment in finance and sales-type leases	6	995,689	755,882
Prepayments on flight equipment	29	2,930,303	3,265,979
Other intangibles, net	9	355,512	397,101
Deferred income tax assets	16	151,234	215,445
Other assets	10	979,930	779,206
Total Assets		**$ 42,040,144**	**$ 41,620,453**
Liabilities and Equity			
Accounts payable, accrued expenses and other liabilities	13	$ 1,017,374	$ 1,132,536
Accrued maintenance liability	14	2,461,799	2,750,576
Lessee deposit liability		827,470	859,099
Debt	15	28,420,739	27,716,999
Deferred income tax liabilities	16	673,948	578,979
Commitments and contingencies	29		
Total Liabilities		33,401,330	33,038,189
Ordinary share capital, €0.01 par value, 350,000,000 ordinary shares authorized as of December 31, 2017 and 2016; 167,847,345 and 187,847,345 ordinary shares issued and 152,992,101 and 176,247,154 ordinary shares outstanding (including 3,007,752 and 3,426,810 shares of unvested restricted stock) as of December 31, 2017 and 2016, respectively	17, 26	2,058	2,282
Additional paid-in capital	17	3,714,563	4,505,019
Treasury shares, at cost (14,855,244 and 11,600,191 ordinary shares as of December 31, 2017 and 2016, respectively)	17	(731,442)	(490,092)
Accumulated other comprehensive income (loss)	17	14,274	(1,769)
Accumulated retained earnings	17	5,580,257	4,509,007
Total AerCap Holdings N.V. shareholders' equity		8,579,710	8,524,447
Non-controlling interest	17	59,104	57,817
Total Equity		8,638,814	8,582,264
Total Liabilities and Equity		**$ 42,040,144**	**$ 41,620,453**
Supplemental balance sheet information—amounts related to assets and liabilities of consolidated VIEs for which creditors do not have recourse to our general credit:			
Restricted cash		$ 162,039	$ 118,297
Flight equipment held for operating leases and held for sale		2,220,225	3,016,373
Other assets		66,155	50,665
Accrued maintenance liability		$ 44,078	$ 175,604
Debt		1,522,366	1,313,807
Liabilities other than accrued maintenance liability and debt		93,160	107,207

The accompanying notes are an integral part of these Consolidated Financial Statements.

AerCap Holdings N.V. and Subsidiaries

Consolidated Income Statements

For the Years Ended December 31, 2017, 2016 and 2015

	Note	Year Ended December 31, 2017	2016	2015
		(U.S. Dollars in thousands, except share and per share data)		
Revenues and other income				
Lease revenue	20, 23	$ 4,713,802	$ 4,867,623	$ 4,991,551
Net gain on sale of assets		229,093	138,522	183,328
Other income	22	94,598	145,986	112,676
Total Revenues and other income		**5,037,493**	**5,152,131**	**5,287,555**
Expenses				
Depreciation and amortization	5, 9	1,727,296	1,791,336	1,843,003
Asset impairment	24	61,286	81,607	16,335
Interest expense	15	1,112,391	1,091,861	1,099,884
Leasing expenses		537,752	582,530	522,413
Transaction, integration and restructuring related expenses (a)	25	14,605	53,389	58,913
Selling, general and administrative expenses	18, 19, 21	348,291	351,012	381,308
Total Expenses		**3,801,621**	**3,951,735**	**3,921,856**
Income before income taxes and income of investments accounted for under the equity method		**1,235,872**	**1,200,396**	**1,365,699**
Provision for income taxes	16	(164,718)	(173,496)	(189,805)
Equity in net earnings of investments accounted for under the equity method		9,199	12,616	1,278
Net income		**$ 1,080,353**	**$ 1,039,516**	**$ 1,177,172**
Net (income) loss attributable to non-controlling interest		(4,202)	7,114	1,558
Net income attributable to AerCap Holdings N.V.		**$ 1,076,151**	**$ 1,046,630**	**$ 1,178,730**
Basic earnings per share	26	$ 6.68	$ 5.64	$ 5.78
Diluted earnings per share	26	$ 6.43	$ 5.52	$ 5.72
Weighted average shares outstanding—basic		161,059,552	185,514,370	203,850,828
Weighted average shares outstanding—diluted		167,287,508	189,682,036	206,224,135

(a) Includes $9.6 million of transaction and integration expenses related to the ILFC Transaction for the year ended December 31, 2015.

The accompanying notes are an integral part of these Consolidated Financial Statements.

AerCap Holdings N.V. and Subsidiaries

Consolidated Statements of Comprehensive Income

For the Years Ended December 31, 2017, 2016 and 2015

	Year Ended December 31,		
	2017	2016	2015
	(U.S. Dollars in thousands)		
Net income	**$ 1,080,353**	**$ 1,039,516**	**$ 1,177,172**
Other comprehensive income (loss):			
Net change in fair value of derivatives (Note 12), net of tax of $(2,131), $(856) and $(47), respectively	14,918	5,990	338
Actuarial gain (loss) on pension obligations (Note 19), net of tax of $(257), $200 and $(4), respectively	1,125	(1,452)	250
Total other comprehensive income	16,043	4,538	588
Comprehensive income	**1,096,396**	**1,044,054**	**1,177,760**
Comprehensive (income) loss attributable to non-controlling interest	(4,202)	7,114	1,558
Total comprehensive income attributable to AerCap Holdings N.V.	**$ 1,092,194**	**$ 1,051,168**	**$ 1,179,318**

The accompanying notes are an integral part of these Consolidated Financial Statements.

AerCap Holdings N.V. and Subsidiaries

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2017, 2016 and 2015

	Year Ended December 31,		
	2017	2016	2015
	(U.S. Dollars in thousands)		
Net income	$ 1,080,353	$ 1,039,516	$ 1,177,172
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	1,727,296	1,791,336	1,843,003
Asset impairment	61,286	81,607	16,335
Amortization of debt issuance costs and debt discount	65,420	55,768	45,582
Amortization of lease premium intangibles	13,632	19,836	23,042
Amortization of fair value adjustments on debt	(194,728)	(335,998)	(442,972)
Accretion of fair value adjustments on deposits and maintenance liabilities	31,360	55,210	76,246
Maintenance rights write-off (a)	539,772	652,111	628,643
Maintenance liability release to income	(302,408)	(421,332)	(243,809)
Net gain on sale of assets	(229,093)	(138,522)	(183,328)
Deferred income taxes	157,021	161,340	110,353
Restructuring related expenses	5,097	33,588	49,311
Other	120,489	121,700	90,074
Changes in operating assets and liabilities:			
Trade receivables	(10,567)	40,065	48,468
Other assets	55,309	257,190	88,418
Accounts payable, accrued expenses and other liabilities	19,978	(32,183)	33,502
Net cash provided by operating activities	**3,140,217**	**3,381,232**	**3,360,040**
Purchase of flight equipment	(3,956,671)	(2,892,731)	(2,772,110)
Proceeds from sale or disposal of assets	1,779,321	2,366,242	1,568,235
Prepayments on flight equipment	(1,268,585)	(947,419)	(791,546)
Collections of finance and sales-type leases	91,918	74,207	54,975
Movement in restricted cash	(35,276)	90,267	297,941
Other	(38,102)	(21,678)	(73,400)
Net cash used in investing activities	**(3,427,395)**	**(1,331,112)**	**(1,715,905)**
Issuance of debt	5,596,402	3,642,166	3,913,840
Repayment of debt	(4,695,453)	(5,213,724)	(4,043,743)
Debt issuance costs paid	(81,396)	(34,687)	(49,417)
Maintenance payments received	756,314	794,711	776,488
Maintenance payments returned	(523,403)	(505,407)	(558,477)
Security deposits received	187,378	201,970	171,408
Security deposits returned	(188,362)	(270,575)	(144,445)
Dividend paid to non-controlling interest holders	(266)	(10,501)	—
Repurchase of shares and tax withholdings on share-based compensation	(1,138,782)	(1,021,119)	(793,945)
Net cash used in financing activities	**(87,568)**	**(2,417,166)**	**(728,291)**
Net (decrease) increase in cash and cash equivalents	(374,746)	(367,046)	915,844
Effect of exchange rate changes	(1,032)	(605)	(3,115)
Cash and cash equivalents at beginning of period	2,035,447	2,403,098	1,490,369
Cash and cash equivalents at end of period	**$ 1,659,669**	**$ 2,035,447**	**$ 2,403,098**

The accompanying notes are an integral part of these Consolidated Financial Statements.

AerCap Holdings N.V. and Subsidiaries

Consolidated Statements of Cash Flows (Continued)

For the Years Ended December 31, 2017, 2016 and 2015

	Year Ended December 31,		
	2017	2016	2015
	(U.S. Dollars in thousands)		
Supplemental cash flow information:			
Interest paid, net of amounts capitalized	$ 1,231,539	$ 1,339,095	$ 1,409,860
Income taxes paid, net	18,957	61,834	20,178

(a) Maintenance rights write-off consisted of the following:

EOL and MR contract maintenance rights expense	$ 355,845	$ 381,637	$ 348,366
EOL contract maintenance rights write-off due to cash receipt	106,433	96,503	118,438
MR contract maintenance rights write-off due to maintenance liability release	77,494	173,971	161,839
Maintenance rights write-off	**$ 539,772**	**$ 652,111**	**$ 628,643**

The accompanying notes are an integral part of these Consolidated Financial Statements.

AerCap Holdings N.V. and Subsidiaries

Consolidated Statements of Cash Flows (Continued)

For the Years Ended December 31, 2017, 2016 and 2015

Non-Cash Investing and Financing Activities

Year ended December 31, 2017:

Flight equipment held for operating leases in the amount of $332.2 million was reclassified to net investment in finance and sales-type leases.

Flight equipment held for operating leases in the amount of $20.6 million was reclassified to inventory, which is included in other assets.

Accrued maintenance liability in the amount of $275.4 million was settled with buyers upon sale or disposal of assets.

Year ended December 31, 2016:

Flight equipment held for operating leases in the amount of $442.2 million was reclassified to net investment in finance and sales-type leases.

Flight equipment held for operating leases in the amount of $87.8 million was reclassified to inventory, which is included in other assets.

Net investment in finance and sales-type leases in the amount of $18.4 million was reclassified to flight equipment held for operating leases.

Accrued maintenance liability in the amount of $341.2 million was settled with buyers upon sale or disposal of assets.

Year ended December 31, 2015:

Flight equipment held for operating leases in the amount of $152.2 million was reclassified to net investment in finance and sales-type leases.

Flight equipment held for operating leases in the amount of $49.6 million was reclassified to inventory, which is included in other assets.

Accrued maintenance liability in the amount of $49.1 million was settled with buyers upon sale or disposal of assets.

The accompanying notes are an integral part of these Consolidated Financial Statements.

AerCap Holdings N.V. and Subsidiaries

Consolidated Statements of Equity

For the Years Ended December 31, 2017, 2016 and 2015

	Number of ordinary shares issued	Ordinary share capital	Additional paid-in capital	Treasury shares	Accumulated other comprehensive loss	Accumulated retained earnings	AerCap Holdings N.V. shareholders' equity
	(U.S. Dollars in thousands, except share data)						
Balance as of December 31, 2014	**212,318,291**	**$ 2,559**	**$5,557,627**	**$ —**	**$ (6,895)**	**$2,310,486**	**$7,863,777**
Dividends paid	—	—	—	—	—	—	—
Repurchase of shares	—	—	—	(761,228)	—	—	(761,228)
Share cancellation	(9,698,588)	(111)	(474,467)	474,578	—	—	—
Share-based compensation	—	—	100,162	—	—	—	100,162
Ordinary shares issued, net of tax withholdings	791,504	9	(156,329)	140,338	—	(17,084)	(33,066)
Total comprehensive income (loss)	—	—	—	—	588	1,178,730	1,179,318
Balance as of December 31, 2015	**203,411,207**	**$ 2,457**	**$5,026,993**	**$ (146,312)**	**$ (6,307)**	**$3,472,132**	**$8,348,963**
Dividends paid	—	—	—	—	—	—	—
Repurchase of shares	—	—	—	(965,982)	—	—	(965,982)
Share cancellation	(15,563,862)	(175)	(577,967)	578,142	—	—	—
Share-based compensation	—	—	102,843	—	—	—	102,843
Ordinary shares issued, net of tax withholdings	—	—	(46,850)	44,060	—	(9,755)	(12,545)
Total comprehensive income (loss)	—	—	—	—	4,538	1,046,630	1,051,168
Balance as of December 31, 2016	**187,847,345**	**$ 2,282**	**$4,505,019**	**$ (490,092)**	**$ (1,769)**	**$4,509,007**	**$8,524,447**
Dividends paid	—	—	—	—	—	—	—
Repurchase of shares	—	—	—	(1,124,724)	—	—	(1,124,724)
Share cancellation	(20,000,000)	(224)	(860,324)	860,548	—	—	—
Share-based compensation	—	—	107,719	—	—	—	107,719
Ordinary shares issued, net of tax withholdings	—	—	(37,851)	22,826	—	(4,901)	(19,926)
Total comprehensive income	—	—	—	—	16,043	1,076,151	1,092,194
Balance as of December 31, 2017	**167,847,345**	**$ 2,058**	**$3,714,563**	**$ (731,442)**	**$ 14,274**	**$5,580,257**	**$8,579,710**

The accompanying notes are an integral part of these Consolidated Financial Statements.

AerCap Holdings N.V. and Subsidiaries

Consolidated Statements of Equity (Continued)

For the Years Ended December 31, 2017, 2016 and 2015

	AerCap Holdings N.V. shareholders' equity	Non-controlling interest	Total equity
	(U.S. Dollars in thousands, except share data)		
Balance as of December 31, 2014	**$ 7,863,777**	**$ 78,771**	**$ 7,942,548**
Dividends paid	—	(367)	(367)
Repurchase of shares	(761,228)	—	(761,228)
Share cancellation	—	—	—
Share-based compensation	100,162	—	100,162
Ordinary shares issued, net of tax withholdings	(33,066)	—	(33,066)
Total comprehensive income (loss)	1,179,318	(1,558)	1,177,760
Balance as of December 31, 2015	**$ 8,348,963**	**$ 76,846**	**$ 8,425,809**
Dividends paid	—	(11,915)	(11,915)
Repurchase of shares	(965,982)	—	(965,982)
Share cancellation	—	—	—
Share-based compensation	102,843	—	102,843
Ordinary shares issued, net of tax withholdings	(12,545)	—	(12,545)
Total comprehensive income (loss)	1,051,168	(7,114)	1,044,054
Balance as of December 31, 2016	**$ 8,524,447**	**$ 57,817**	**$ 8,582,264**
Dividends paid	—	(2,915)	(2,915)
Repurchase of shares	(1,124,724)	—	(1,124,724)
Share cancellation	—	—	—
Share-based compensation	107,719	—	107,719
Ordinary shares issued, net of tax withholdings	(19,926)	—	(19,926)
Total comprehensive income	1,092,194	4,202	1,096,396
Balance as of December 31, 2017	**$ 8,579,710**	**$ 59,104**	**$ 8,638,814**

The accompanying notes are an integral part of these Consolidated Financial Statements.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

1. General

The Company

We are a global leader in aircraft leasing with total assets of $42.0 billion, primarily consisting of 980 owned aircraft as of December 31, 2017. Our ordinary shares are listed on the New York Stock Exchange (AER). Our headquarters is located in Dublin, and we have offices in Shannon, Los Angeles, Singapore, Amsterdam, Fort Lauderdale, Shanghai and Abu Dhabi. We also have representative offices at the world's largest aircraft manufacturers, Boeing in Seattle and Airbus in Toulouse.

The Consolidated Financial Statements presented herein include the accounts of AerCap Holdings N.V. and its subsidiaries. AerCap Holdings N.V. is a public limited liability company ("*naamloze vennootschap" or "N.V.*") incorporated in the Netherlands on July 10, 2006.

2. Basis of presentation

General

Our Consolidated Financial Statements are presented in accordance with U.S. GAAP.

We consolidate all companies in which we have direct and indirect legal or effective control and all VIEs for which we are deemed the PB and have control under ASC 810. All intercompany balances and transactions with consolidated subsidiaries have been eliminated. The results of consolidated entities are included from the effective date of control or, in the case of VIEs, from the date that we are or become the PB. The results of subsidiaries sold or otherwise deconsolidated are excluded from the date that we cease to control the subsidiary or, in the case of VIEs, when we cease to be the PB.

Unconsolidated investments where we have significant influence are reported using the equity method of accounting.

Our Consolidated Financial Statements are stated in U.S. dollars, which is our functional currency.

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Use of estimates

The preparation of Consolidated Financial Statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The use of estimates is or could be a significant factor affecting the reported carrying values of flight equipment, intangibles, investments, trade and notes receivables, deferred income tax assets and accruals and reserves. Actual results may differ from our estimates under different conditions, sometimes materially.

3. Summary of significant accounting policies

Cash and cash equivalents

Cash and cash equivalents include cash and highly liquid investments with original maturities of three months or less.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

3. Summary of significant accounting policies (Continued)

Restricted cash

Restricted cash includes cash held by banks that is subject to withdrawal restrictions. Such amounts are typically restricted under secured debt agreements and can be used only to maintain the aircraft securing the debt and to provide debt service payments of principal and interest.

Trade receivables

Trade receivables represent unpaid, current lessee obligations under existing lease contracts. An allowance for credit losses on trade receivables is established when the risk of non-recovery is probable. The risk of non-recovery is primarily based on the extent to which amounts outstanding exceed the value of security held, together with an assessment of the financial strength and condition of a debtor and the economic conditions persisting in the debtor's operating environment. The allowance for credit losses is classified as leasing expenses in our Consolidated Income Statements.

Flight equipment held for operating leases, net

Flight equipment held for operating leases is stated at cost less accumulated depreciation and impairment. Flight equipment is depreciated to its estimated residual value on a straight-line basis over the useful life of the aircraft, which is generally 25 years from the date of manufacture, or a different period depending on the disposition strategy. The costs of improvements to flight equipment are normally recorded as leasing expenses unless the improvement increases the long-term value or extends the useful life of the flight equipment. The capitalized improvement cost is depreciated over the estimated remaining useful life of the aircraft. The residual value of our flight equipment is generally 15% of estimated industry standard price, except where more relevant information indicates a different residual value is more appropriate.

We periodically review the estimated useful lives and residual values of our flight equipment based on our knowledge of the industry, external factors, such as current market conditions, and changes in our disposition strategies, to determine if they are appropriate, and record adjustments to depreciation rates prospectively on an aircraft by aircraft basis, as necessary.

On a quarterly basis, we perform recoverability assessments of our long-lived assets when events or changes in circumstances indicate that the carrying value of such assets may not be recoverable. On an annual basis, we perform impairment assessments for all of our aircraft held for operating leases that are five years of age or older. The review of recoverability includes an assessment of the estimated future cash flows associated with the use of an asset and its eventual disposal. The assets are grouped at the lowest level for which identifiable cash flows are largely independent of other groups of assets, which includes the individual aircraft and the lease-related assets and liabilities of that aircraft (the "Asset Group"). If the sum of the expected undiscounted future cash flows is less than the aggregate net book value of the Asset Group, an impairment loss is recognized. The loss is measured as the excess of the carrying amount of the impaired aircraft over its estimated fair value.

Fair value reflects the present value of the future cash flows expected to be generated from the aircraft, including its expected residual value, discounted at a rate commensurate with the associated risk. Future cash flows are assumed to occur under the current market conditions and assume adequate time for a sale between a willing buyer and a willing seller. Expected future lease rates are based on all relevant information available, including current contracted rates for similar aircraft and industry trends.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

3. Summary of significant accounting policies (Continued)

Capitalization of interest

We capitalize interest on prepayments of forward order flight equipment and add such amount to prepayments on flight equipment. The amount of interest capitalized is the actual interest costs incurred on the debt specific to the prepayments, if any, or the amount of interest costs which could have been avoided in the absence of such prepayments.

Net investment in finance and sales-type leases

If a lease meets specific criteria under U.S. GAAP, we recognize the lease in net investment in finance and sales-type leases in our Consolidated Balance Sheets and de-recognize the aircraft from flight equipment held for operating leases. For sales-type leases, we recognize the difference between the aircraft carrying value and the amount recognized in net investment in finance and sales-type leases in net gain on sale of assets in our Consolidated Income Statements. The amounts recognized for finance and sales-type leases consist of lease receivables and the estimated unguaranteed residual value of the flight equipment on the lease termination date, less the unearned income. Expected unguaranteed residual values are based on our assessment of the values of the flight equipment at expiration of the lease. The unearned income is recognized as lease revenue in our Consolidated Income Statements over the lease term, in a manner that produces a constant rate of return on the lease.

Definite-lived intangible assets

We recognize intangible assets acquired in a business combination at fair value on the date of acquisition. The rate of amortization of definite-lived intangible assets is calculated based on the period over which we expect to derive economic benefits from such assets.

Maintenance rights intangible and lease premium, net

Maintenance rights intangible assets are recognized when we acquire aircraft subject to existing leases. These intangible assets represent the contractual right to receive the aircraft in a specified maintenance condition at the end of the lease under EOL contracts or our right to receive an aircraft in better maintenance condition due to our obligation to contribute towards the cost of the maintenance events performed by the lessee either through reimbursement of maintenance deposit rents held under MR contracts, or through a lessor contribution to the lessee.

For EOL contracts, upon lease termination, we recognize receipts of EOL cash compensation as lease revenue in our Consolidated Income Statements to the extent those receipts exceed the EOL contract maintenance rights intangible asset and we recognize leasing expenses in our Consolidated Income Statements when the EOL contract maintenance rights intangible asset exceeds the EOL cash receipts. For MR contracts, we recognize maintenance rights expense at the time the lessee submits a reimbursement claim and provides the required documentation related to the cost of a qualifying maintenance event that relates to pre-acquisition usage.

Lease premium assets represent the value of an acquired lease where the contractual rental payments are above the market rate. We amortize the lease premium assets on a straight-line basis over the term of the lease as a reduction of lease revenue in our Consolidated Income Statements.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

3. Summary of significant accounting policies (Continued)

Other definite-lived intangible assets, net

Other definite-lived intangible assets primarily consist of customer relationships recorded at fair value on the ILFC Transaction closing date. These intangible assets are amortized over the period which we expect to derive economic benefits from such assets. The amortization expense is recorded in depreciation and amortization in our Consolidated Income Statements. We evaluate all definite-lived intangible assets for impairment when events or changes in circumstances indicate that the carrying value of the asset may not be recoverable.

Other assets

Other assets consist of inventory, debt issuance costs, lease incentives, investments, notes receivables, derivative financial instruments, other tangible fixed assets, and straight-line rents, prepaid expenses and other receivables.

Inventory

Inventory consists primarily of engine and airframe components and piece parts. We value our inventory at the lower of cost and net realizable value. Generally, inventory that is held for more than four years is considered excess inventory and its carrying value is reduced to zero.

Lease incentives

We capitalize amounts paid or value provided to lessees as lease incentives. We amortize lease incentives on a straight-line basis over the term of the related lease as a reduction in lease revenue in our Consolidated Income Statements.

Investments

Unconsolidated investments where we have significant influence are reported using the equity method of accounting. Under the equity method of accounting, we recognize our share of earnings and losses of such investments in equity in net earnings (losses) of investments accounted for under the equity method.

Notes receivables

Notes receivables represent amounts advanced in the normal course of our operations and also arise from the restructuring and deferral of trade receivables from lessees experiencing financial difficulties. An allowance for credit losses on notes receivables is established when the risk of non-recovery is probable. The assessment of the risk of non-recovery where lessees are experiencing financial difficulties is primarily based on the extent to which amounts outstanding exceed the value of security held, together with an assessment of the financial strength and condition of the debtor and the economic conditions persisting in the debtor's operating environment.

Derivative financial instruments

We use derivative financial instruments to manage our exposure to interest rate risks. We recognize derivatives in our Consolidated Balance Sheets at fair value.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

3. Summary of significant accounting policies (Continued)

When cash flow hedge accounting treatment is applied, the changes in fair values related to the effective portion of the derivatives are recorded in AOCI, and the ineffective portion is recognized immediately in interest expense. Amounts reflected in AOCI related to the effective portion are reclassified into interest expense in the same period or periods during which the hedged transaction affects interest expense.

We discontinue hedge accounting prospectively when *(i)* we determine that the derivative is no longer effective in offsetting changes in the fair value or cash flows of the hedged item; *(ii)* the derivative expires or is sold, terminated, or exercised; or *(iii)* management determines that designating the derivative as a hedging instrument is no longer appropriate. In all situations in which hedge accounting is discontinued and the derivative remains outstanding, we recognize the changes in the fair value in current-period earnings. The remaining balance in AOCI at the time we discontinue hedge accounting is not recognized in our Consolidated Income Statements unless it is probable that the forecasted transaction will not occur. Such amounts are recognized in interest expense when the hedged transaction affects interest expense.

When cash flow hedge accounting treatment is not applied, the changes in fair values related to interest rate related derivatives between periods are recognized in interest expense in our Consolidated Income Statements.

Net cash received or paid under derivative contracts in any reporting period is classified as operating cash flows in our Consolidated Statements of Cash Flows.

Other tangible fixed assets

Other tangible fixed assets consist primarily of leasehold improvements, computer equipment and office furniture, and are valued at acquisition cost and depreciated at various rates over the asset's estimated useful life on a straight-line basis. Depreciation expense on other tangible fixed assets is recorded in depreciation and amortization in our Consolidated Income Statements.

Fair value measurements

Fair value is defined as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. We measure the fair value of our derivatives on a recurring basis and measure the fair value of flight equipment and definite-lived intangible assets on a non-recurring basis. See Note 30—*Fair value measurements*.

Income taxes

We recognize an uncertain tax benefit only to the extent that it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

3. Summary of significant accounting policies (Continued)

Deferred income tax assets and liabilities

We report deferred income taxes resulting from the temporary differences between the book values and the tax values of assets and liabilities using the liability method. The differences are calculated at nominal value using the enacted tax rate applicable at the time the temporary difference is expected to reverse. Deferred income tax assets attributable to unutilized losses carried forward or other timing differences are reduced by a valuation allowance if it is more likely than not that such losses will not be utilized to offset future taxable income.

Guarantees

We have potential obligations under guarantee contracts that we have entered into with third parties. See Note 29—*Commitments and contingencies*. We initially recognize guarantees at fair value. Subsequently, if it becomes probable that we will be required to perform under a guarantee, we accrue a liability based on an estimate of the loss we will incur to perform under the guarantee. The loss estimate is generally measured as the amount by which the contractual guaranteed value exceeds the fair market value or future lease cash flows of the underlying aircraft.

Accrued maintenance liability

Under our aircraft leases, the lessee is responsible for maintenance and repairs and other operating expenses related to the flight equipment during the term of the lease. In certain instances, such as when an aircraft is not subject to a lease, we may incur maintenance and repair expenses for our aircraft. Maintenance and repair expenses are recorded in leasing expenses in our Consolidated Income Statements, to the extent such expenses are incurred by us.

We may be obligated to make additional payments to the lessee for maintenance-related expenses, primarily related to usage of major life-limited components existing at the inception of the lease ("lessor maintenance contributions"). For all lease contracts, we expense planned major maintenance activities, such as lessor maintenance contributions, when incurred. The expense is recorded in leasing expenses in our Consolidated Income Statements. In the case we have established an accrual as an assumed liability for such payment in connection with the purchase of an aircraft with a lease attached, such payments are charged against the existing accrual.

For all lease contracts acquired as part of the ILFC Transaction, we determined the fair value of our maintenance liability, including lessor maintenance contributions, using the present value of the expected cash outflows. The discounted amounts are accreted in subsequent periods to their respective nominal values up until the expected maintenance event dates using the effective interest method. The accretion amounts are recorded as increases to interest expense in our Consolidated Income Statements.

Debt and deferred debt issuance costs

Long-term debt is carried at the principal amount borrowed, including unamortized discounts and premiums, fair value adjustments and debt issuance costs, where applicable. The fair value adjustments reflect the application of the acquisition method of accounting to the debt assumed as part of the ILFC Transaction. We amortize the amount of discounts or premiums and fair value adjustments over the period the debt is outstanding using the effective interest method. The costs we incur for issuing debt are capitalized and amortized as an increase to interest expense over the life of the debt using the effective interest method.

Debt issuance costs related to our line-of-credit arrangements are presented within other assets.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

3. Summary of significant accounting policies (Continued)

Lessee security deposits

For all lessee deposits assumed as part of the ILFC Transaction, we discounted the lessee security deposit amounts to their respective present values. We accrete the discounted security deposit amounts to their respective nominal values over the period we expect to refund the security deposits to each lessee, using the effective interest method, recognizing an increase in interest expense.

Revenue recognition

We lease flight equipment principally under operating leases and recognize rental income on a straight-line basis over the life of the lease. At lease inception, we review all necessary criteria to determine proper lease classification. We account for lease agreements that include uneven rental payments on a straight-line basis. The difference between rental revenue recognized and cash received is included in our Consolidated Balance Sheets in other assets, or in the event it is a liability, in accounts payable, accrued expenses and other liabilities. In certain cases, leases provide for rentals contingent on usage. The usage may be calculated based on hourly usage or on the number of cycles operated, depending on the lease contract. Revenue contingent on usage is recognized at the time the lessee reports the usage to us.

Lease agreements for which base rent is based on floating interest rates are included in minimum lease payments based on the floating interest rate that existed at the inception of the lease; and any increases or decreases in lease payments that result from subsequent changes in the floating interest rate are considered contingent rentals and are recorded as increases or decreases in lease revenue in the period of the interest rate change.

Our lease contracts normally include default covenants, which generally obligate the lessee to pay us damages to put us in the position we would have been in had the lessee performed under the lease in full. There are no additional payments required which would increase the minimum lease payments. We cease revenue recognition on a lease contract when the collectability of such rentals is no longer reasonably assured. For past-due rentals that exceed related security deposits held, which have been recognized as revenue, we establish provisions on the basis of management's assessment of collectability. Such provisions are recorded in leasing expenses in our Consolidated Income Statements.

Revenue from net investment in finance and sales-type leases is recognized using the interest method to produce a constant yield over the life of the lease and is included in lease revenue in our Consolidated Income Statements.

Most of our lease contracts require rental payments in advance. Rental payments received but unearned under these lease agreements are recorded as deferred revenue in our Consolidated Balance Sheets.

Under our aircraft leases, the lessee is responsible for maintenance, repairs and other operating expenses during the term of the lease. Under the provisions of many of our leases, the lessee is required to make payments of supplemental maintenance rents which are calculated with reference to the utilization of the airframe, engines and other major life-limited components during the lease. We record as lease revenue all supplemental maintenance rent receipts not expected to be reimbursed to lessees. We estimate the total amount of maintenance reimbursements for the entire lease and only record revenue after we have received sufficient maintenance rents under a particular lease to cover the total amount of estimated maintenance reimbursements during the remaining lease term.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

3. Summary of significant accounting policies (Continued)

In most lease contracts not requiring the payment of supplemental maintenance rents, and to the extent that the aircraft is redelivered in a different condition than at acceptance, we generally receive EOL cash compensation for the difference at redelivery. Upon lease termination, we recognize receipts of EOL cash compensation as lease revenue in our Consolidated Income Statements to the extent those receipts exceed the EOL contract maintenance rights intangible asset and we recognize leasing expenses in our Consolidated Income Statements when the EOL contract maintenance rights intangible asset exceeds the EOL cash receipts.

The accrued maintenance liability existing at lease termination is recognized as lease revenue net of the MR contract maintenance rights intangible asset. When flight equipment is sold, the portion of the accrued maintenance liability not specifically assigned to the buyer is released net of any maintenance rights intangible asset balance and is included in net gain on sale of assets in our Consolidated Income Statements.

Net gain or loss on sale of assets is recognized when we sell aircraft and engines. The sale is recognized when the relevant asset is delivered, the risk of loss has transferred to the buyer, and we no longer have significant ownership risk in the asset sold.

Other income consists of interest revenue, management fee revenue, lease termination penalties, inventory part sales, net gain on sale of equity investments accounted for under the equity method, insurance proceeds, and other miscellaneous activities. Interest revenue from secured loans, notes receivables and other interest bearing instruments is recognized using the effective yield method as interest accrues under the associated contracts. Management fee revenue is recognized as income as it accrues over the life of the contract. Income from the receipt of lease termination penalties is recorded at the time cash is received or when the lease is terminated, if revenue recognition criteria are met.

Pension

We operate defined benefit pension plans for a small number of our employees. We recognize net periodic pension costs associated with these plans in selling, general and administrative expenses and recognize the unfunded status of the plan, if any, in accounts payable, accrued expenses and other liabilities. The change in fair value of the funded pension liability that is not related to the net periodic pension cost is recorded in AOCI. The projection of benefit obligation and fair value of plan assets require the use of assumptions and estimates, including discount rates. Actual results could differ from those estimates. Furthermore, we operate defined contribution plans for the employees who do not fall under the defined benefit pension plans. We recognize an expense for contributions to the defined contribution plans in selling, general and administrative expenses in the period the contributions are made.

Share-based compensation

Employees may receive AerCap share-based awards, consisting of restricted stock units or restricted stock. Share-based compensation expense is determined by reference to the fair value of the restricted stock units or restricted stock on the grant date and is recognized on a straight-line basis over the requisite service period. Share-based compensation expense is classified in selling, general and administrative expenses in our Consolidated Income Statements.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

3. Summary of significant accounting policies (Continued)

Foreign currency

Foreign currency transactions are translated into U.S. dollars at the exchange rate prevailing at the time of the transaction. Receivables or payables denominated in foreign currencies are remeasured into U.S. dollars at the exchange rate at the balance sheet date. All resulting exchange gains and losses are recorded in selling, general and administrative expenses in our Consolidated Income Statements.

Variable interest entities

We consolidate VIEs in which we have determined that we are the PB. We use judgment when determining *(i)* whether an entity is a VIE; *(ii)* who are the variable interest holders; *(iii)* the elements and degree of control that each variable interest holder has; and *(iv)* ultimately which party is the PB. When determining which party is the PB, we perform an analysis which considers *(i)* the design of the VIE; *(ii)* the capital structure of the VIE; *(iii)* the contractual relationships between the variable interest holders; *(iv)* the nature of the entities' operations; and *(v)* the purposes and interests of all parties involved, including related parties. While we consider these factors, our conclusion about whether to consolidate ultimately depends on the breadth of our decision-making ability and our ability to influence activities that significantly affect the economic performance of the VIE. We continually re-evaluate whether we are the PB for VIEs in which we hold a variable interest.

Earnings per share

Basic EPS is computed by dividing income available to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. For the purposes of calculating diluted EPS, the denominator includes both the weighted average number of ordinary shares outstanding during the period and the weighted average number of potentially dilutive ordinary shares, such as restricted stock units, restricted stock and stock options.

Reportable segments

We manage our business and analyze and report our results of operations on the basis of one business segment: leasing, financing, sales and management of commercial aircraft and engines.

Recent accounting standards adopted during the year ended December 31, 2017:

Stock compensation

In March 2016, the FASB issued an accounting standard that requires entities to record all tax effects related to share-based awards in the income statement when the awards vest or are settled. The accounting standard also requires excess tax benefits to be recorded when they arise, subject to normal valuation allowance considerations. Excess tax benefits are to be reported as operating activities on the statement of cash flows.

We adopted the standard on its required effective date of January 1, 2017 and it did not have a material effect on our Consolidated Financial Statements.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

3. Summary of significant accounting policies (Continued)

Future application of accounting standards:

Revenue from contracts with customers

In May 2014, the FASB issued an accounting standard that provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. This guidance does not apply to lease contracts with customers. The standard will require an entity to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This update creates a five-step model that requires entities to exercise judgment when considering the terms of the contract including *(i)* identifying the contract with the customer; *(ii)* identifying the separate performance obligations in the contract; *(iii)* determining the transaction price; *(iv)* allocating the transaction price to the separate performance obligations; and *(v)* recognizing revenue when each performance obligation is satisfied.

This standard is effective for fiscal years beginning after December 15, 2017 and may be adopted using either a full retrospective or modified retrospective method. We will adopt the standard on its required effective date of January 1, 2018, using the modified retrospective method. The impact of this standard will not be material to our Consolidated Financial Statements and related disclosures.

Lease accounting

In February 2016, the FASB issued an accounting standard that requires lessees to recognize lease-related assets and liabilities on the balance sheet, other than leases that meet the definition of a short-term lease. In certain circumstances, the lessee is required to remeasure the lease payments. Qualitative and quantitative disclosures, including significant judgments made by management, will be required to provide insight into the extent of revenue and expense recognized and expected to be recognized from existing contracts. Under the new standard, lessor accounting remains similar to the current model. The new standard will be effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early adoption is permitted. The new standard must be adopted using the modified retrospective transition approach. We will adopt the standard on its required effective date of January 1, 2019. We do not expect the impact of this standard to be material to our Consolidated Balance Sheets and Consolidated Income Statements.

Allowance for credit losses

In June 2016, the FASB issued an accounting standard that requires entities to estimate lifetime expected credit losses for most financial assets measured at amortized cost and certain other instruments, including trade and other receivables, net investments in leases and off-balance sheet credit exposures. The standard also requires additional disclosure, including how the entity develops its allowance for credit losses for financial assets measured at amortized cost and disaggregated information on the credit quality of net investments in leases measured at amortized cost by year of the asset's origination for up to five annual periods. The standard is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. Early adoption will be permitted in any interim or annual period beginning after December 15, 2018. The new standard must be adopted using the modified retrospective transition approach. We will adopt the standard on its required effective date of January 1, 2020. We are evaluating the effect the adoption of the standard will have on our Consolidated Balance Sheets and Consolidated Income Statements.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

3. Summary of significant accounting policies (Continued)

Statement of cash flows

In August 2016, the FASB issued an accounting standard that is intended to reduce diversity in practice in how certain transactions are classified in the statement of cash flows. The standard includes clarifications that *(i)* cash payments for debt prepayment or extinguishment costs must be classified as cash outflows for financing activities; *(ii)* cash proceeds from the settlement of insurance claims should be classified based on the nature of the loss; *(iii)* an entity is required to make an accounting policy election to classify distributions received from equity method investees under either the cumulative-earnings approach or the nature of distribution approach; and *(iv)* in the absence of specific guidance, an entity should classify each separately identifiable cash source and use on the basis of the underlying cash flows. The standard is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. The new standard must be adopted using the retrospective transition method. We will adopt the standard on its required effective date of January 1, 2018. The impact of this standard will not be material to our Consolidated Statements of Cash Flows.

Presentation of restricted cash in the statement of cash flows

In November 2016, the FASB issued an accounting standard that clarifies how entities should present restricted cash and restricted cash equivalents in the statement of cash flows. The standard requires entities to show the changes in the total of cash, cash equivalents, restricted cash and restricted cash equivalents in the statement of cash flows. The standard also requires a reconciliation of the totals in the statement of cash flows to the related captions in the balance sheet. The standard is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. The new standard must be adopted retrospectively. We will adopt the standard on its required effective date of January 1, 2018. The impact of this standard will not be material to our Consolidated Statements of Cash Flows.

4. Restricted cash

Our restricted cash balance was $364.5 million and $329.2 million as of December 31, 2017 and 2016, respectively, and was primarily related to our ECA financings, our Ex-Im financings, our AerFunding revolving credit facility and other debt. See Note 15—*Debt.*

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

5. Flight equipment held for operating leases, net

Movements in flight equipment held for operating leases during the years ended December 31, 2017 and 2016 were as follows:

	Year Ended December 31,	
	2017	2016
Net book value at beginning of period	$ 31,501,973	$ 32,219,494
Additions	5,276,715	3,863,905
Depreciation	(1,690,753)	(1,753,574)
Impairment (Note 24)	(54,331)	(78,335)
AeroTurbine restructuring (Note 25)	(2,662)	(15,392)
Disposals and transfers (to) from held for sale	(2,281,401)	(2,222,432)
Transfers (to) from net investment in finance and sales-type leases/inventory	(352,714)	(511,693)
Net book value at end of period	**$ 32,396,827**	**$ 31,501,973**
Accumulated depreciation as of December 31, 2017 and 2016, respectively	$ (6,067,084)	$ (5,086,611)

6. Net investment in finance and sales-type leases

Components of net investment in finance and sales-type leases as of December 31, 2017 and 2016 were as follows:

	As of December 31,		
	2017	2016	
Future minimum lease payments to be received	$ 865,456	$ 708,934	
Estimated residual values of leased flight equipment (unguaranteed)	498,894	321,739	
Less: Unearned income	(368,661)	(274,791)	
	$ 995,689	$ 755,882	
Less: Allowance for credit losses	—	—	(a)
	$ 995,689	**$ 755,882**	

(a) During the year ended December 31, 2016, we recognized a direct write-off for credit losses on four finance leases of $11.1 million, which was recorded in leasing expenses in our Consolidated Income Statement.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

6. Net investment in finance and sales-type leases (Continued)

As of December 31, 2017, future minimum lease payments to be received on finance and sales-type leases were as follows:

	Future minimum lease payments to be received
2018	$ 151,644
2019	137,789
2020	117,149
2021	103,243
2022	82,958
Thereafter	272,673
	$ 865,456

7. Maintenance rights intangible and lease premium, net

Maintenance rights intangible and lease premium consisted of the following as of December 31, 2017 and 2016:

	As of December 31,	
	2017	2016
Maintenance rights intangible	$ 1,464,599	$ 2,117,034
Lease premium, net	37,259	50,891
	$ 1,501,858	**$ 2,167,925**

Movements in maintenance rights intangible during the years ended December 31, 2017 and 2016 were as follows:

	Year Ended December 31,	
	2017	2016
Maintenance rights intangible at beginning of period	$ 2,117,034	$ 3,068,318
EOL and MR contract maintenance rights expense	(355,845)	(381,637)
MR contract maintenance rights write-off due to maintenance liability release	(77,494)	(173,971)
EOL contract maintenance rights write-off due to cash receipt	(106,433)	(96,503)
EOL and MR contract intangible write-off due to sale of aircraft	(112,663)	(284,411)
Transfer to other assets	—	(17,162)
Additions due to aircraft acquisitions	—	2,400
Maintenance rights intangible at end of period	**$ 1,464,599**	**$ 2,117,034**

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

7. Maintenance rights intangible and lease premium, net (Continued)

The following tables present details of lease premium and related accumulated amortization as of December 31, 2017 and 2016:

	As of December 31, 2017		
	Gross carrying amount	Accumulated amortization	Net carrying amount
Lease premium	$ 77,977	$ (40,718)	$ 37,259

	As of December 31, 2016		
	Gross carrying amount	Accumulated amortization	Net carrying amount
Lease premium	$ 94,959	$ (44,068)	$ 50,891

Lease premiums that are fully amortized are removed from the gross carrying amount and accumulated amortization columns in the tables above.

During the years ended December 31, 2017, 2016 and 2015, we recorded amortization expense for lease premium of $13.6 million, $19.8 million and $23.0 million, respectively.

As of December 31, 2017, the estimated future amortization expense for lease premium was as follows:

	Estimated amortization expense
2018	$ 11,219
2019	10,466
2020	7,727
2021	5,394
2022	914
Thereafter	1,539
	$ 37,259

8. Flight equipment held for sale

Generally, an aircraft is classified as held for sale when the sale is probable, the aircraft is available for sale in its present condition, and the aircraft is expected to be sold within one year. Aircraft are reclassified from flight equipment held for operating leases to flight equipment held for sale at the lower of the aircraft carrying value or fair value, less costs to sell. Depreciation is no longer recognized for aircraft classified as held for sale.

As of December 31, 2017, 18 aircraft with a total net book value of $630.8 million met the held for sale criteria and were classified as flight equipment held for sale in our Consolidated Balance Sheet. Aggregate maintenance and security deposit amounts received from the lessee of approximately $115 million will be assumed by the buyers of these aircraft upon consummation of the individual sale transactions.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

8. Flight equipment held for sale (Continued)

As of December 31, 2016, six aircraft and four engines with a total net book value of $107.4 million were classified as flight equipment held for sale in our Consolidated Balance Sheet. Two of those aircraft were no longer subject to sale agreements and were reclassified to flight equipment held for operating leases during the first quarter of 2017 and the sale of the remaining four aircraft and four engines closed during the first quarter of 2017.

9. Other intangibles, net

Other intangibles consisted of the following as of December 31, 2017 and 2016:

	As of December 31,	
	2017	2016
Goodwill	$ 58,094	$ 58,094
Customer relationships, net	283,118	304,294
Contractual vendor intangible assets	10,606	21,019
Tradename, net	3,694	13,694
	$ 355,512	**$ 397,101**

The following tables present details of customer relationships and tradename and related accumulated amortization as of December 31, 2017 and 2016:

	As of December 31, 2017		
	Gross carrying amount	Accumulated amortization	Net carrying amount
Customer relationships	$ 360,000	$ (76,882)	$ 283,118
Tradename	40,000	(36,306)	3,694
	$ 400,000	**$ (113,188)**	**$ 286,812**

	As of December 31, 2016		
	Gross carrying amount	Accumulated amortization	Net carrying amount
Customer relationships	$ 360,000	$ (55,706)	$ 304,294
Tradename	40,000	(26,306)	13,694
	$ 400,000	**$ (82,012)**	**$ 317,988**

During the years ended December 31, 2017, 2016 and 2015, we recorded amortization expense for customer relationships and tradename of $31.2 million, $31.9 million and $33.7 million, respectively.

During the years ended December 31, 2016 and 2015, we recognized impairment charges of $14.9 million and $24.8 million, respectively, of other intangible assets related to the downsizing of AeroTurbine. The amounts were recorded in transaction, integration and restructuring related expenses in our Consolidated Income Statements. Please refer to Note 25—*AeroTurbine restructuring* for further details.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

9. Other intangibles, net (Continued)

During the years ended December 31, 2017 and 2016, we utilized $10.4 million and $17.8 million, respectively, of contractual vendor intangible assets to reduce the cash outlay related to purchases of goods and services from our vendors.

As of December 31, 2017, the estimated future amortization expense for customer relationships and tradename was as follows:

	Estimated amortization expense
2018	$ 24,870
2019	21,176
2020	21,176
2021	21,176
2022	21,176
Thereafter	177,238
	$ 286,812

10. Other assets

Other assets consisted of the following as of December 31, 2017 and 2016:

	As of December 31,	
	2017	2016
Inventory	$ 38,972	$ 52,673
Debt issuance costs	43,241	33,700
Lease incentives	213,684	177,128
Other receivables	351,925	188,759
Investments (Note 11)	122,946	118,783
Notes receivables	22,497	23,359
Derivative assets (Note 12)	48,896	37,187
Other tangible fixed assets	31,114	36,427
Straight-line rents, prepaid expenses and other	106,655	111,190
	$ 979,930	**$ 779,206**

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

11. Investments

Investments accounted for under the equity method of accounting consisted of the following as of December 31, 2017 and 2016:

	Ownership as of December 31, 2017 (%)	As of December 31, 2017	As of December 31, 2016
AerDragon	16.7	$ 61,706	$ 60,124
AerLift	39.3	44,930	45,087
ACSAL	19.4	14,197	13,566
		$ 120,833	**$ 118,777**

Our share of undistributed earnings of investments in which our ownership interest is less than 50% was $40.2 million and $38.4 million as of December 31, 2017 and 2016, respectively. We also have an investment in Peregrine of $2.1 million as of December 31, 2017, that is accounted for in accordance with the cost method of accounting. Please refer to Note 27—*Variable interest entities* for further details.

12. Derivative assets

We have entered into interest rate derivatives to hedge the current and future interest rate payments on our variable rate debt. These derivative financial instruments can include interest rate swaps, caps, floors, options and forward contracts.

As of December 31, 2017, we had interest rate caps and swaps outstanding, with underlying variable benchmark interest rates ranging from one to three-month U.S. dollar LIBOR.

Some of our agreements with derivative counterparties require a two-way cash collateralization of derivative fair values. As of December 31, 2017 and 2016, we had cash collateral of $3.7 million and $8.6 million, respectively, from various counterparties and the obligation to return such collateral was recorded in accounts payable, accrued expenses and other liabilities. We had not advanced any cash collateral to counterparties as of December 31, 2017 or 2016.

The counterparties to our interest rate derivatives are primarily major international financial institutions. We continually monitor our positions and the credit ratings of the counterparties involved and limit the amount of credit exposure to any one party. We could be exposed to potential losses due to the credit risk of non-performance by these counterparties. We have not experienced any material losses to date.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

12. Derivative assets (Continued)

Our derivative assets are recorded in other assets in our Consolidated Balance Sheets. The following table presents notional amounts and fair values of derivatives outstanding as of December 31, 2017 and 2016:

	As of December 31,			
	2017		2016	
	Notional amount (a)	Fair value	Notional amount (a)	Fair value
Derivative assets not designated as hedges:				
Interest rate caps	$ 2,721,000	$ 25,021	$ 2,911,220	$ 30,362
Derivative assets designated as cash flow hedges:				
Interest rate swaps	$ 1,830,785	$ 23,875	$ 425,612	$ 6,825
Total derivative assets		**$ 48,896**		**$ 37,187**

(a) The notional amount is recorded as nil where caps and swaps are not yet effective.

We recorded the following in other comprehensive income related to derivative financial instruments for the years ended December 31, 2017, 2016 and 2015:

	Year Ended December 31,		
	2017	2016	2015
Gain (Loss)			
Effective portion of change in fair market value of derivatives designated as cash flow hedges:			
Interest rate swaps	$ 17,049	$ 6,846	$ 385
Income tax effect	(2,131)	(856)	(47)
Net changes in cash flow hedges, net of tax	**$ 14,918**	**$ 5,990**	**$ 338**

We do not expect to reclassify amounts from AOCI to interest expense in our Consolidated Income Statement over the next 12 months. The following table presents the effect of derivatives recorded in interest expense in our Consolidated Income Statements for the years ended December 31, 2017, 2016 and 2015.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

12. Derivative assets (Continued)

	Year Ended December 31,		
	2017	2016	2015
Gain (Loss)			
Derivatives not designated as hedges:			
Interest rate caps and swaps	$ (14,178)	$ (1,628)	$ (18,118)
Reclassification to Consolidated Income Statements:			
Reclassification of amounts previously recorded in AOCI	—	—	—
Effect from derivatives	**$ (14,178)**	**$ (1,628)**	**$ (18,118)**

13. Accounts payable, accrued expenses and other liabilities

Accounts payable, accrued expenses and other liabilities consisted of the following as of December 31, 2017 and 2016:

	As of December 31,	
	2017	2016
Accounts payable and accrued expenses	$ 307,391	$ 330,437
Deferred revenue	452,846	463,090
Accrued interest	254,865	287,205
Guarantees (Note 29)	2,272	51,804
	$ 1,017,374	**$ 1,132,536**

14. Accrued maintenance liability

Movements in accrued maintenance liability during the years ended December 31, 2017 and 2016 were as follows:

	Year Ended December 31,	
	2017	2016
Accrued maintenance liability at beginning of period	$ 2,750,576	$ 3,185,794
Maintenance payments received	756,314	794,711
Maintenance payments returned	(523,403)	(505,407)
Release to income upon sale	(275,360)	(341,161)
Release to income other than upon sale	(302,408)	(421,332)
Lessor contribution, top ups and other	42,379	8,315
Interest accretion	13,701	26,563
Additions due to aircraft acquisitions	—	3,093
Accrued maintenance liability at end of period	**$ 2,461,799**	**$ 2,750,576**

15. Debt

As of December 31, 2017, the principal amount of our outstanding indebtedness totaled $28.3 billion, which excluded fair value adjustments of $0.3 billion and debt issuance costs and debt discounts of $0.2 billion. As of December 31, 2017, our undrawn lines of credit were approximately $6.7 billion, subject to certain conditions, including compliance with certain financial covenants. As of December 31, 2017, we remained in compliance with the respective financial covenants across our various debt obligations.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

15. Debt (Continued)

The following table provides a summary of our indebtedness as of December 31, 2017 and 2016:

	As of December 31,						
	2017						2016
Debt Obligation	Collateral (Number of aircraft)	Commitment	Undrawn amounts	Outstanding	Weighted average interest rate (a)	Maturity	Outstanding
Unsecured							
ILFC Legacy Notes		$ 5,670,000	$ —	$ 5,670,000	6.32%	2018 - 2022	$ 7,670,000
AerCap Aviation Notes		—	—	—	—	—	300,000
AerCap Trust & AICDC Notes		8,399,864	—	8,399,864	4.12%	2019 - 2027	6,399,864
Asia Revolving Credit Facility		600,000	300,000	300,000	3.44%	2020	—
Citi Revolving Credit Facility		3,895,000	3,895,000	—	—	2021	—
AIG Revolving Credit Facility		200,000	200,000	—	—	2019	—
Other unsecured debt		550,000	—	550,000	3.11%	2020 - 2021	—
Fair value adjustment		NA	NA	286,426	NA	NA	430,348
TOTAL UNSECURED		**19,314,864**	**4,395,000**	**15,206,290**			**14,800,212**
Secured							
Export credit facilities	71	1,241,262	—	1,241,262	2.59%	2018 - 2027	1,722,376
Senior Secured Notes	81	1,275,000	—	1,275,000	7.13%	2018	1,275,000
Institutional secured term loans & secured portfolio loans	239	6,943,431	690,000	6,253,431	3.55%	2020 - 2030	5,028,623
ALS II debt		—	—	—	—	—	17,746
AerFunding Revolving Credit Facility	18	2,500,000	1,621,576	878,424	3.43%	2022	596,819
AeroTurbine Revolving Credit Agreement		—	—	—	—	—	125,000
Other secured debt	94	2,139,360	—	2,139,360	3.66%	2018 - 2035	2,670,325
Fair value adjustment		NA	NA	31,482	NA	NA	82,251
TOTAL SECURED		**14,099,053**	**2,311,576**	**11,818,959**			**11,518,140**
Subordinated							
ECAPS Subordinated Notes		1,000,000	—	1,000,000	4.47%	2065	1,000,000
Junior Subordinated Notes		500,000	—	500,000	6.50%	2045	500,000
Subordinated debt joint ventures partners		55,780	—	55,780	2.26%	2022	55,780
Fair value adjustment		NA	NA	(229)	NA	NA	(232)
TOTAL SUBORDINATED		**1,555,780**	—	**1,555,551**			**1,555,548**
Debt issuance costs and debt discounts		NA	NA	(160,061)	NA	NA	(156,901)
	503	**$ 34,969,697**	**$ 6,706,576**	**$ 28,420,739**			**$ 27,716,999**

(a) The weighted average interest rate for our floating rate debt is calculated based on the U.S. dollar LIBOR rate as of the last interest payment date of the respective debt, and excludes the impact of related derivative financial instruments which we hold to hedge our exposure to floating interest rates, as well as any amortization of debt issuance costs and debt discounts.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

15. Debt (Continued)

As of December 31, 2017, all debt was guaranteed by us with the exception of the AerFunding revolving credit facility and the Glide Funding term loan facility. As of December 31, 2017, a further $166.1 million included in other secured debt was limited recourse in nature.

Maturities of our debt financings (excluding fair value adjustments, debt issuance costs and debt discounts) as of December 31, 2017 were as follows:

	Maturities of debt financing
2018	$ 3,177,358
2019	4,191,915
2020	4,201,661
2021	3,671,914
2022	6,315,915
Thereafter	6,704,358
	$ 28,263,121

During the years ended December 31, 2017, 2016 and 2015, we recorded amortization expense for debt issuance costs and debt discounts of $65.4 million, $55.8 million and $45.6 million, respectively. The unamortized debt issuance costs and debt discounts as of December 31, 2017 are expected to be amortized through 2045.

ILFC Legacy Notes

As of December 31, 2017, we had an aggregate outstanding principal amount of senior unsecured notes of $5.7 billion issued by ILFC prior to the ILFC Transaction (the "ILFC Legacy Notes"). The ILFC Legacy Notes have maturities ranging through 2022. The fixed rate notes bear interest at rates ranging from 3.875% to 8.625%. The notes are not subject to redemption prior to their stated maturity and there are no sinking fund requirements.

The indentures governing the ILFC Legacy Notes contain customary covenants that, among other things, restrict our, and our restricted subsidiaries', ability to *(i)* incur liens on assets; *(ii)* declare or pay dividends or acquire or retire shares of our capital stock during certain events of default; *(iii)* designate restricted subsidiaries as unrestricted subsidiaries or designate unrestricted subsidiaries; *(iv)* make investments in or transfer assets to unrestricted subsidiaries; and *(v)* consolidate, merge, sell, or otherwise dispose of all or substantially all of our assets. The indentures also provide for customary events of default, including, but not limited to, the failure to pay scheduled principal and interest payments on the notes, the failure to comply with covenants and agreements specified in the indentures, the acceleration of certain other indebtedness resulting from non-payment of that indebtedness and certain events of insolvency. If any event of default occurs, any amount then outstanding under the indentures may immediately become due and payable.

Upon consummation of the ILFC Transaction, AerCap Trust became the successor issuer under the ILFC Legacy Notes indentures. ILFC also agreed to continue to be co-obligor. In addition, AerCap Holdings N.V. and certain of its subsidiaries became guarantors of the ILFC Legacy Notes.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

15. Debt (Continued)

AerCap Aviation Notes

In May 2012, AerCap Aviation Solutions B.V. issued $300.0 million of 6.375% senior unsecured notes due 2017 (the "AerCap Aviation Notes"). The AerCap Aviation Notes were guaranteed by AerCap Holdings N.V. and AerCap Ireland. In May 2017 we repaid the AerCap Aviation Notes in full.

AerCap Trust & AICDC Notes

From time to time since the completion of the ILFC Transaction, AerCap Trust and AICDC have co-issued additional senior unsecured notes (the "AGAT/AICDC Notes"). The proceeds from these offerings have been used for general corporate purposes.

The following table provides a summary of the outstanding AGAT/AICDC Notes as of December 31, 2017:

	As of December 31, 2017		
	Amount outstanding	Interest rate	Maturity
May 2014 Notes	$ 2,199,864	3.75% - 4.50%	2019 - 2021
September 2014 Notes	800,000	5.00%	2021
June 2015 Notes	1,000,000	4.25% - 4.625%	2020 - 2022
October 2015 Notes	1,000,000	4.625%	2020
May 2016 Notes	1,000,000	3.95%	2022
January 2017 Notes	600,000	3.50%	2022
July 2017 Notes	1,000,000	3.65%	2027
November 2017 Notes	800,000	3.50%	2025
Total	**$ 8,399,864**		

In January 2018, AerCap Trust and AICDC co-issued $600 million aggregate principal amount of 3.30% senior notes due 2023 and $550 million aggregate principal amount of 3.875% senior notes due 2028. The proceeds from the offering were used for general corporate purposes.

The AGAT/AICDC Notes are registered with the SEC. The AGAT/AICDC Notes are jointly and severally and fully and unconditionally guaranteed by AerCap Holdings N.V. (the "Parent Guarantor") and by AerCap Ireland, AerCap Aviation Solutions, ILFC and AerCap U.S. Global Aviation LLC. Except as described below, the AGAT/AICDC Notes are not subject to redemption prior to their stated maturity and there are no sinking fund requirements. We may redeem each series of the AGAT/AICDC Notes in whole or in part, at any time, at a price equal to 100% of the aggregate principal amount plus the applicable "make-whole" premium plus accrued and unpaid interest, if any, to the redemption date. The "make-whole" premium is the excess of:

(i) the sum of the present value at such redemption date of all remaining scheduled payments of principal and interest on such note through the stated maturity date of the notes (excluding accrued but unpaid interest to the redemption date), discounted to the date of redemption using a discount rate equal to the treasury rate plus 50 basis points; over

(ii) the principal amount of the notes to be redeemed.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

15. Debt (Continued)

The indentures governing the AGAT/AICDC Notes contain customary covenants that, among other things, restrict our, and our restricted subsidiaries', ability to incur liens on assets and to consolidate, merge, sell, or otherwise dispose of all or substantially all of our assets. The indentures also provide for customary events of default, including, but not limited to, the failure to pay scheduled principal and interest payments on the AGAT/AICDC Notes, the failure to comply with covenants and agreements specified in the indentures, the acceleration of certain other indebtedness resulting from non-payment of that indebtedness and certain events of insolvency. If any event of default occurs, any amount then outstanding under the indentures may immediately become due and payable.

Asia Revolving Credit Facility

In December 2015, AerCap Holdings N.V. entered into a $575.0 million unsecured revolving and term loan agreement (the "Asia Revolver"). In 2016, the facility was increased to $600.0 million. The Asia Revolver is a five-year facility, split between a three-year revolving period followed by a two-year term loan. The interest rate for borrowings under the Asia Revolver is LIBOR plus a margin of 1.95% during the revolving period, with the margin increasing to 2.25% during the first year of the term loan and increasing to 2.50% during the second year of the term loan.

The outstanding principal amount of any loans under the Asia Revolver at the end of the three-year revolving period will be amortized over the remaining two-year term out period of the facility. One-third of the balance is to be repaid in December 2019 and the remaining two-thirds must be repaid in December 2020.

All borrowings under the Asia Revolver are subject to the satisfaction of customary conditions precedent. We have the right to terminate or cancel, in whole or in part, the unused portion of the commitment amount.

The Asia Revolver contains covenants customary for unsecured financings, including financial covenants that require us to maintain compliance with a maximum ratio of consolidated indebtedness to shareholders' equity, a minimum fixed charges coverage ratio and a maximum ratio of unencumbered assets to certain financial indebtedness.

Citi Revolving Credit Facility

In March 2014, AICDC entered into a $2.75 billion four-year senior unsecured revolving credit facility (the "Citi Revolver"), which became effective upon completion of the ILFC Transaction. The facility has an accordion feature permitting increases to a maximum size of $4.0 billion. The obligations under the Citi Revolver are guaranteed by AerCap Holdings N.V. and certain of its subsidiaries.

In February 2017, the facility was upsized to $3.75 billion and the maturity of the facility was extended to February 2021. The interest rate for borrowings under the Citi Revolver was reduced from a base rate of LIBOR plus a margin of 2.0% for drawn facilities to a margin of 1.50%. In September 2017, the facility was upsized to $3.895 billion and in February 2018, the facility was further upsized to $4.0 billion, in each case with the same pricing levels. All borrowings under the facility are subject to the satisfaction of customary conditions precedent. We have the right to terminate or cancel, in whole or in part, the unused portion of the commitment amount.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

15. Debt (Continued)

The Citi Revolver contains covenants customary for unsecured financings, including financial covenants that require us to maintain compliance with a maximum ratio of consolidated indebtedness to shareholders' equity, a minimum interest coverage ratio and a maximum ratio of unencumbered assets to certain financial indebtedness. The facility also contains covenants that, among other things, restrict, subject to certain exceptions, the ability of AerCap to sell assets, make certain restricted payments and incur certain liens.

AIG Revolving Credit Facility

In December 2013, AICDC entered into a $1.0 billion five-year senior unsecured revolving credit facility (the "AIG Revolver"), with AIG as lender and administrative agent, which became effective upon completion of the ILFC Transaction. The interest rate for borrowings under the facility is, at our option, either *(i)* LIBOR plus 3.75%; or *(ii)* 2.75% plus the greatest of *(x)* the U.S. federal funds rate plus 0.50%; *(y)* the rate of interest publicly announced from time to time by Citibank, N.A. as its "base rate;" and*(z)* one-month LIBOR plus 1.00%. The obligations under the AIG Revolver are guaranteed by AerCap Holdings N.V. and certain of its subsidiaries.

In June 2015, the amount available under the AIG revolving credit facility was reduced from $1.0 billion to $500.0 million upon the issuance of the Junior Subordinated Notes.

In December 2017, the amount available under the AIG revolving credit facility was reduced from $500.0 million to $200.0 million and the maturity of the facility was extended from May 2019 to October 2019. All other terms remain unchanged.

All borrowings under the facility are subject to the satisfaction of customary conditions precedent. We have the right to terminate or cancel, in whole or in part, the unused portion of the commitment amount.

The AIG Revolver contains covenants customary for unsecured financings, including financial covenants that require us to maintain compliance with a maximum ratio of consolidated indebtedness to shareholders' equity, a minimum interest coverage ratio and a maximum ratio of unencumbered assets to certain financial indebtedness. The facility also contains covenants that, among other things, restrict, subject to certain exceptions, the ability of AerCap to sell assets, make certain restricted payments and incur certain liens.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

15. Debt (Continued)

Export credit facilities

The net book value of aircraft pledged under the export credit facilities was approximately $3.0 billion as of December 31, 2017.

The following table provides details regarding the terms of our outstanding export credit facilities:

	As of December 31, 2017				
	Collateral (Number of aircraft)	Amount outstanding	Tranche	Weighted average interest rate	Maturity
2003 Airbus ECA facility	11	$ 85,961	Floating Rate	Three month LIBOR + 0.43%	2018 - 2020
2004 Airbus ECA facility	23	159,856	Floating Rate	Six month LIBOR + 1.49%	2018 - 2019
	8	52,412	Fixed Rate	3.85%	2018 - 2020
2008 Airbus ECA facility	2	73,118	Floating Rate	Three month LIBOR + 0.97%	2022 - 2023
	11	241,682	Fixed Rate	2.70%	2021 - 2023
2009 Airbus ECA facility	2	30,602	Floating Rate	Three month LIBOR + 1.11%	2022
	2	30,194	Fixed Rate	4.60%	2021 - 2022
Airbus ECA capital markets facilities	3	89,806	Fixed Rate	3.60%	2021
Other Airbus ECA facilities	5	281,458	Fixed Rate	2.38%	2024 - 2027
2010 Ex-Im facilities	2	23,923	Fixed Rate	2.95%	2022
2012 Ex-Im capital markets facility	2	172,250	Fixed Rate	1.49%	2025
Total	**71**	**$ 1,241,262**			

In February 2018, the 2004 Airbus ECA facility was fully repaid and terminated.

The principal amounts under the export credit facilities amortize over ten to 12-year terms. The export credit facilities require that SPEs controlled by the respective borrowers hold legal title to the financed aircraft. The export credit facilities obligations are secured by, among other things, a pledge of the shares of the SPEs.

The export credit facilities contain affirmative covenants customary for secured financings, in addition to customary events of default and restrictive covenants. The facilities also contain net worth financial covenants. As of December 31, 2017, AerCap was in compliance with its covenants under the export credit facilities.

The obligations under export credit facilities are guaranteed by AerCap Holdings N.V. and certain of its subsidiaries, as well as various export credit agencies.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

15. Debt (Continued)

Senior Secured Notes

In August 2010, ILFC issued $3.9 billion of senior secured notes (the "Senior Secured Notes"), with $1.35 billion that matured in September 2014 and bore interest of 6.5%, $1.275 billion that matured in September 2016 and bore interest of 6.75%, and $1.275 billion maturing in September 2018 and bearing interest of 7.125%. Upon consummation of the ILFC Transaction, AerCap Trust became the successor issuer under the indenture governing the Senior Secured Notes. ILFC also agreed to continue to be a co-obligor. We can redeem the Senior Secured Notes at any time prior to their maturity, subject to a penalty of the greater of 1.00% of the outstanding principal amount and a "make-whole" premium based on the relevant U.S. Treasury Rate plus 50 basis points. There is no sinking fund for the Senior Secured Notes.

The obligations of the subsidiary borrower are guaranteed by AerCap Holdings N.V. and certain of its subsidiaries.

The Senior Secured Notes are secured by a designated pool of aircraft and cash collateral when required. In addition, two of our subsidiaries, which either own or hold leases attached to the aircraft included in the pool securing the Senior Secured Notes, have guaranteed the notes.

The indenture and the aircraft mortgage and security agreement governing the Senior Secured Notes contain customary covenants that, among other things, restrict our, and our restricted subsidiaries', ability to *(i)* create liens; *(ii)* sell, transfer or otherwise dispose of the assets serving as collateral for the Senior Secured Notes; *(iii)* declare or pay dividends or acquire or retire shares of our capital stock during certain events of default; *(iv)* designate restricted subsidiaries as unrestricted subsidiaries or designate unrestricted subsidiaries; and *(v)* make investments in or transfer assets to unrestricted subsidiaries.

The indenture restricts our, and the subsidiary guarantors', ability to consolidate, merge, sell or otherwise dispose of all, or substantially all, of our assets. The indenture also provides for customary events of default, including, but not limited to, the failure to pay scheduled principal and interest payments on the Senior Secured Notes, the failure to comply with covenants and agreements specified in the indenture, the acceleration of certain other indebtedness resulting from non-payment of that indebtedness, and certain events of insolvency. If any event of default occurs, any amount then outstanding under the Senior Secured Notes may immediately become due and payable.

Institutional secured term loans & secured portfolio loans

Hyperion facility

In March 2014, one of ILFC's indirect wholly-owned subsidiaries entered into a secured term loan agreement in the amount of $1.5 billion. In January 2017, the facility was amended to extend the maturity to October 2023 and to reduce the margin above LIBOR from 2.75% to 2.25%. In August 2017, the facility was amended to reduce the margin above LIBOR to 2.00%. The facility was amended again in March 2018 to further reduce the margin above LIBOR to 1.75%. We can voluntarily prepay the loan at any time, subject to certain conditions.

The obligations of the subsidiary borrower are guaranteed by AerCap Holdings N.V. and certain of its subsidiaries.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

15. Debt (Continued)

The loan is secured by the equity interests in the borrower and certain SPE subsidiaries of the borrower. The SPEs hold title to 81 aircraft with an appraised value of approximately $2.23 billion as of December 31, 2017, representing a loan-to-value ratio of approximately 67%. The loan requires a loan-to-value ratio of no more than 70%. If the maximum loan-to-value ratio is exceeded, we will be required to prepay portions of the outstanding loans, deposit an amount in the cash collateral account or transfer additional aircraft to SPEs, subject to certain concentration criteria, so that the ratio is equal to or less than 70%.

The loan contains customary covenants and events of default, including covenants that limit the ability of the subsidiary borrower and its subsidiaries to incur additional indebtedness and create liens, and covenants that limit the ability of the guarantors, the subsidiary borrower and its subsidiaries to consolidate, merge or dispose of all or substantially all of their assets and enter into transactions with affiliates.

Vancouver facility

In February 2012, one of ILFC's indirect wholly-owned subsidiaries entered into a secured term loan agreement in the amount of $900.0 million. In April 2013, ILFC amended the agreement and simultaneously prepaid $150.0 million of the outstanding principal amount, reducing the amount outstanding to $750.0 million. In December 2016, the facility was amended to extend the maturity to October 2022 and to reduce the margin above LIBOR from 2.75% to 2.25%. In August 2017, the facility was amended to reduce the margin above LIBOR to 2.00%. The facility was amended again in February 2018 to further reduce the margin above LIBOR to 1.75%. We can voluntarily prepay the loan at any time, subject to certain conditions.

The obligations of the subsidiary borrower are guaranteed by AerCap Holdings N.V. and certain of its subsidiaries.

The loan is secured by the equity interests in certain SPEs of the subsidiary borrower. As of December 31, 2017, the SPEs collectively own a portfolio of 51 aircraft with an appraised value of approximately $1.31 billion, equaling a loan-to-value ratio of approximately 57%. The loan requires a loan-to-value ratio of no more than 63%. If the maximum loan-to-value ratio is exceeded, we will be required to prepay a portion of the outstanding loan, deposit an amount in the cash collateral account or transfer additional aircraft to SPEs, subject to certain concentration criteria, so that the ratio is equal to or less than 63%.

The loan contains customary covenants and events of default, including covenants that limit the ability of the subsidiary borrower and its subsidiaries to incur additional indebtedness and create liens, and covenants that limit the ability of the guarantors, the subsidiary borrower and its subsidiaries to consolidate, merge or dispose of all or substantially all of their assets and enter into transactions with affiliates.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

15. Debt (Continued)

Temescal facility

In March 2011, one of ILFC's indirect wholly-owned subsidiaries entered into a secured term loan agreement with lender commitments in the amount of approximately $1.3 billion, which was subsequently increased to approximately $1.5 billion. As of December 31, 2017, approximately $773.7 million was outstanding. In February 2017, AerCap extended the maturity of the Temescal facility from March 2021 to March 2023 and reduced the margin above LIBOR from 2.00% to 1.95%. We can voluntarily prepay the loan at any time, subject to certain conditions.

The obligations of the subsidiary borrower are guaranteed by AerCap Holdings N.V. and certain of its subsidiaries.

The loan is secured by a portfolio of 50 aircraft and the equity interests in certain SPEs that own the pledged aircraft. As of the latest loan-to-value ratio determination date, the appraised value of the pledged aircraft was $1.59 billion, resulting in a loan-to-value ratio of approximately 52%. The subsidiary borrower is required to maintain compliance with a maximum loan-to-value ratio, which was 54% as of the latest loan-to-value ratio determination date. The maximum loan-to value ratio declines over time, as set forth in the term loan agreement. If the maximum loan-to-value ratio is exceeded, we will be required to prepay portions of the outstanding loans, deposit an amount in the cash collateral account or transfer additional aircraft to the SPEs, subject to certain concentration criteria, so that the ratio is equal to or less than the maximum loan-to-value ratio. As of December 31, 2017, we were in compliance with this ratio.

The loan facility contains customary covenants and events of default, including covenants that limit the ability of the subsidiary borrower and its subsidiaries to incur additional indebtedness and create liens, and covenants that limit the ability of the guarantors, the subsidiary borrower and its subsidiaries to consolidate, merge or dispose of all or substantially all of their assets and enter into transactions with affiliates.

Glide Funding facility

Glide Funding Limited ("Glide Funding") is a SPE that is a wholly-owned subsidiary of AerCap Ireland. Glide Funding is a consolidated subsidiary formed for the purpose of acquiring and financing aircraft assets. In December 2015, Glide Funding entered into a non-recourse term loan credit facility in the aggregate amount of up to $500.0 million with a term of five years, which would be used to finance the acquisition of up to nine specified aircraft under the facility.

As of December 31, 2017, Glide Funding had $436.3 million of loans outstanding, relating to nine aircraft. Borrowings under the Glide Funding term loan facility bear interest at a rate equal to one-month LIBOR plus 1.60%. Principal may be prepaid without penalty upon notice, subject to certain conditions. Mandatory partial prepayments of borrowings under the facility are required in certain circumstances, including upon removal of an aircraft from the facility, unless an acceptable substitute aircraft is added to the facility. The loan obligations are secured by, among other things, security interests in the equity ownership and beneficial interest in all of the subsidiaries of Glide Funding that own or lease its financed aircraft, and their interests in the leases of the financed aircraft.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

15. Debt (Continued)

The facility contains customary covenants and events of default, including covenants that limit the ability of Glide Funding and its subsidiaries to incur additional indebtedness and create liens, to consolidate, merge or dispose of all or substantially all of their assets and to enter into transactions with affiliates.

Celtago facility

Celtago Funding Limited ("Celtago") is a wholly-owned subsidiary of AerCap Ireland. Celtago was formed for the purpose of acquiring and financing aircraft assets. In December 2015, Celtago entered into a secured term loan agreement with lender commitments in the amount of $817.0 million, which is being used to finance 13 aircraft, with a maturity date of December 2024.

Borrowings under the term loan facility bear interest at three-month LIBOR plus a margin of 1.50%, or, if applicable, a base rate plus a margin of 1.50%. The loans can be voluntarily prepaid at any time, subject to certain conditions. Celtago's obligations under the term loan facility are guaranteed by AerCap Holdings N.V. and certain of its subsidiaries. As of December 31, 2017, Celtago had $718.1 million of loans outstanding relating to 13 aircraft.

The term loan facility contains customary covenants and events of default, including covenants that limit the ability of Celtago and its subsidiaries to incur additional indebtedness and create liens, and covenants that limit the ability of the guarantors and Celtago and its subsidiaries to consolidate, merge or dispose of all or substantially all of their assets or enter into transactions with affiliates.

BlowfishFunding facility

BlowfishFunding B.V. ("Blowfish") is a wholly-owned subsidiary of AerCap B.V. Blowfish was formed for the purpose of financing aircraft assets. In April 2016, Blowfish entered into a new secured term loan agreement with lender commitments in the amount of $650.0 million, which is being used to finance nine aircraft. The loan has a maturity date of December 2022.

Borrowings under the term loan facility bear interest at three-month LIBOR plus a margin of 1.65%, or, if applicable, a base rate plus a margin of 1.65%. The loans can be voluntarily prepaid at any time, subject to certain conditions. Blowfish's obligations under the term loan facility are guaranteed by AerCap Holdings N.V. and certain of its subsidiaries. As of December 31, 2017, Blowfish had $580.1 million of loans outstanding relating to nine aircraft.

The term loan facility contains customary covenants and events of default, including covenants that limit the ability of Blowfish and its subsidiaries to incur additional indebtedness and create liens, and covenants that limit the ability of the guarantors and Blowfish and its subsidiaries to consolidate, merge or dispose of all or substantially all of their assets or enter into transactions with affiliates.

Celtago II facility

Celtago II Funding Limited ("Celtago II") is a wholly-owned subsidiary of AerCap Ireland. Celtago II was formed for the purpose of acquiring and financing aircraft assets. In July 2016, Celtago II entered into a new secured term loan agreement with lender commitments in the amount of $684.0 million, which is being used to finance 13 aircraft. The loan has a maturity date of November 2022.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

15. Debt (Continued)

Borrowings under the term loan facility bear interest at three-month LIBOR plus a margin of 1.75%, or, if applicable, a base rate plus a margin of 1.75%. The loans can be voluntarily prepaid at any time, subject to certain conditions. Celtago II's obligations under the term loan facility are guaranteed by AerCap Holdings N.V. and certain of its subsidiaries. As of December 31, 2017, Celtago II had $629.8 million of loans outstanding relating to 13 aircraft.

The term loan facility contains customary covenants and events of default, including covenants that limit the ability of Celtago II and its subsidiaries to incur additional indebtedness and create liens, and covenants that limit the ability of the guarantors and Celtago II and its subsidiaries to consolidate, merge or dispose of all or substantially all of their assets or enter into transactions with affiliates.

Iridium facility

Iridium Funding Limited ("Iridium") is a wholly-owned subsidiary of AerCap Ireland. Iridium was formed for the purpose of acquiring and financing aircraft assets. In November 2016, Iridium entered a new secured term loan agreement with lender commitments in the amount of $595.0 million, which is being used to finance eight aircraft. The loan has a maturity date of May 2024.

Borrowings under the term loan facility bear interest at three-month LIBOR plus a margin of 1.75%, or, if applicable, a base rate plus a margin of 1.75%. The loans can be voluntarily prepaid at any time, subject to certain conditions. Iridium's obligations under the term loan facility are guaranteed by AerCap Holdings N.V. and certain of its subsidiaries. As of December 31, 2017, Iridium had $559.3 million of loans outstanding relating to eight aircraft.

The term loan facility contains customary covenants and events of default, including covenants that limit the ability of Iridium and its subsidiaries to incur additional indebtedness and create liens, and covenants that limit the ability of the guarantors and Iridium and its subsidiaries to consolidate, merge or dispose of all or substantially all of their assets or enter into transactions with affiliates.

Scandium facility

Scandium Funding Limited ("Scandium") is a wholly-owned subsidiary of AerCap Ireland. Scandium was formed for the purpose of acquiring and financing aircraft assets. In December 2017, Scandium entered a new secured term loan agreement with lender commitments in the amount of $805.0 million, which is being used to finance up to 11 aircraft. The loan has a maturity date of May 2025.

Borrowings under the term loan facility bear interest at three-month LIBOR plus a margin of 1.60%, or, if applicable, a base rate plus a margin of 1.60%. The loans can be voluntarily prepaid at any time, subject to certain conditions. Scandium's obligations under the term loan facility are guaranteed by AerCap Holdings N.V. and certain of its subsidiaries. As of December 31, 2017, Scandium had $113.5 million of loans outstanding relating to one aircraft.

The term loan facility contains customary covenants and events of default, including covenants that limit the ability of Scandium and its subsidiaries to incur additional indebtedness and create liens, and covenants that limit the ability of the guarantors and Scandium and its subsidiaries to consolidate, merge or dispose of all or substantially all of their assets or enter into transactions with affiliates.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

15. Debt (Continued)

ALS II debt

In June 2008, we completed a securitization in which ALS II, a SPE formed for the purpose of the securitization, issued securitized class A-1 notes and class A-2 notes, representing interests in certain lease receivables, to holders who committed to advance funds in connection with the purchase of certain aircraft. The ALS II senior Class A notes were repaid in full in January 2017.

AerFunding Revolving Credit Facility

AerFunding 1 Limited ("AerFunding") is a SPE whose share capital is owned 95% by a charitable trust and 5% by AerCap Ireland. AerFunding is a consolidated subsidiary formed for the purpose of acquiring aircraft assets. In April 2006, AerFunding entered into a non-recourse senior secured revolving credit facility in the aggregate amount of up to $1.0 billion.

In August 2017, the facility was amended to allow for a three-year revolving period, effective December 11, 2017 and on December 11, 2017, the maximum facility size increased to $2.5 billion. Following the revolving credit period,there is a two year term out period to December 2022. The maturity date of the AerFunding revolving credit facility is December 10, 2022.

The net book value of aircraft pledged to lenders under the credit facility was $1.1 billion as of December 31, 2017.

Borrowings under the AerFunding revolving credit facility can be used to finance between 73.5% and 80.0% of the lower of the purchase price and the appraised value of the eligible aircraft. Eligible aircraft include Airbus A320 Family, Airbus A330 and Airbus A350 aircraft, Boeing 737-700, 800, 900ER and MAX aircraft, Boeing 777 aircraft, Boeing 787 aircraft, and Embraer E190 and E195 aircraft. In addition, value enhancing expenditures and required liquidity reserves are also funded by the lenders. All borrowings under the AerFunding revolving credit facility are subject to the satisfaction of customary conditions and restrictions on the purchase of aircraft that would result in our portfolio becoming too highly concentrated, with regard to both aircraft type and geographical location. The borrowing period during which new advances may be made under the facility will expire in December 2020.

Borrowings under the AerFunding revolving credit facility bear interest based on the Eurodollar rate plus the applicable margin. The following table presents the applicable margin for the borrowings under the AerFunding revolving credit facility during the periods specified:

	Applicable margin
Borrowing period (a)	2.00%
Period from December 11, 2020 to December 10, 2021	2.75%
Period from December 11, 2021 to December 10, 2022	3.50%

(a) The borrowing period is until December 10, 2020, after which the loan converts to a term loan.

Additionally, we are subject to *(i)* a 0.375% fee on any portion of the unused loan commitment if the average facility utilization is greater than 50% during a period; or *(ii)* a 0.50% fee on any unused portion of the unused loan commitment if the average facility utilization is less than 50% during a period.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

15. Debt (Continued)

Interest on the loans is due on a monthly basis. Principal on the loans amortizes on a monthly basis to the extent funds are available. All outstanding principal not paid during the term is due on the maturity date.

Advances under the AerFunding revolving credit facility may be prepaid without penalty upon notice, subject to certain conditions. Mandatory partial prepayments of borrowings under the AerFunding revolving credit facility are required:

- Upon the sale of certain assets by the borrower, including any aircraft or aircraft engines financed or refinanced with proceeds from the AerFunding revolving credit facility;
- Upon the occurrence of an event of loss with respect to an aircraft or aircraft engine financed with proceeds from the AerFunding revolving credit facility from the proceeds of insurance claims; and
- Upon the securitization of any interests or leases with respect to aircraft or aircraft engines financed with proceeds from the AerFunding revolving credit facility.

AerFunding is required to maintain up to 5.0% of the borrowing value of the aircraft in reserve for the benefit of the lenders. Amounts held in reserve for the benefit of the lenders are available to the extent that there are insufficient funds to pay required expenses, hedge payments, or principal of or interest on the loans on any payment date. The amounts on reserve are funded by the lenders. Borrowings under the AerFunding revolving credit facility are secured by, among other things, security interests in and pledges or assignments of equity ownership and beneficial interests in all of the subsidiaries of AerFunding, as well as by AerFunding's interests in the leases of its assets.

AeroTurbine Revolving Credit Agreement

In November 2014, AeroTurbine entered into an amended and restated credit facility providing for a maximum aggregate available amount of $550.0 million, subject to availability determined by a calculation utilizing AeroTurbine's aircraft assets and accounts receivable. In February 2017, the facility was fully repaid and terminated.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

15. Debt (Continued)

Other secured debt

AerCap Holdings N.V. has entered into various other commercial bank financings to fund the purchase of aircraft and for general corporate purposes. The following table provides details regarding the terms of these financings:

	As of December 31, 2017				
	Collateral (Number of aircraft)	Amount outstanding	Tranche	Weighted average interest rate	Maturity
SkyFunding I facility	7	$ 126,617	Floating rate	3 month LIBOR plus 2.85%	2021-2022
	5	90,140	Fixed rate	4.56%	2021-2022
Camden facility	7	144,894	Fixed rate	3.90%	2022
AerCap Partners I facility	7	59,851	Floating rate	3 month LIBOR plus 1.65%	2020
StratusFunding facility	2	143,482	Floating rate	3 month LIBOR plus 1.95%	2026
	2	142,988	Fixed rate	3.93%	2021-2026
CieloFunding facility	1	35,968	Floating rate	3 month LIBOR plus 2.60%	2020
	2	56,862	Fixed rate	3.68%	2020
CieloFunding II facility	1	25,122	Floating rate	3 month LIBOR plus 2.10%	2020
	1	26,840	Fixed rate	3.14%	2020
CloudFunding facilities	15	200,781	Fixed rate	4.00%	2022-2026
Secured commercial bank financings	32 (a)	855,916	Floating rate	LIBOR plus 2.10%	2018-2026
	12	229,899	Fixed rate	4.13%	2018-2035
Total	**94**	**$ 2,139,360**			

(a) 22 engines are pledged as collateral in addition to the aircraft.

In January 2018, the SkyFunding I facility was fully repaid and terminated.

The majority of the financings are secured by, among other things, a pledge of the shares of the subsidiaries owning the related aircraft, a guarantee from AerCap Holdings N.V. and, in certain cases, a mortgage on the applicable aircraft. All of our financings contain affirmative covenants customary for secured financings.

ECAPS Subordinated Notes

In December 2005, ILFC issued two tranches of subordinated notes in an aggregate principal amount of $1.0 billion. The $400.0 million tranche had a call option date of December 21, 2015 and had a fixed interest rate of 6.25% until the 2015 call option date. We did not exercise the call option. After the call option date, the interest rate changed to a floating rate, with a margin of 1.80% plus the highest of three-month LIBOR, ten-year constant maturity treasury, and 30-year constant maturity treasury. The interest rate on the $600.0 million tranche is a floating rate with a margin of 1.55% plus the highest of three-month LIBOR, ten-year constant maturity treasury, and 30-year constant maturity treasury. We can call either tranche at any time and the interest rate resets quarterly.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

15. Debt (Continued)

In July 2013, ILFC amended the financial tests in both tranches of notes by changing the method of calculating the ratio of equity to total managed assets and the minimum fixed charge coverage ratio. Failure to comply with these financial tests will result in a "mandatory trigger event." If a mandatory trigger event occurs and we are unable to raise sufficient capital in a manner permitted by the terms of the subordinated debt to cover the next interest payment on the subordinated debt, a "mandatory deferral event" will occur, requiring us to defer all interest payments and prohibiting the payment of cash dividends on AerCap Trust's or ILFC's capital stock or its equivalent until both financial tests are met or we have raised sufficient capital to pay all accumulated and unpaid interest on the subordinated debt. Mandatory trigger events and mandatory deferral events are not events of default under the indenture governing the subordinated debt.

Upon consummation of the ILFC Transaction, the subordinated notes were assumed by AerCap Trust, and AerCap Holdings N.V. and certain of its subsidiaries became guarantors. ILFC remains a co-obligor under the indentures governing the subordinated notes.

Junior Subordinated Notes

In June 2015, AerCap Trust issued $500.0 million of junior subordinated notes due 2045. The Junior Subordinated Notes initially bear interest at a fixed interest rate of 6.50%, and beginning in June 2025, will bear interest at a floating rate of three-month LIBOR plus 4.30%. The notes were issued to AIG as payment for a portion of the Share Repurchase from AIG. The amount available under the AIG revolving credit facility was reduced from $1.0 billion to $500.0 million upon the issuance of the Junior Subordinated Notes. AIG no longer holds any of the Junior Subordinated Notes.

We may defer any interest payments on the Junior Subordinated Notes for up to five consecutive years for one or more deferral periods. At the end of five years following the commencement of any deferral period, we must pay all accrued and unpaid deferred interest, including compounded interest. During a deferral period, interest will continue to accrue on the Junior Subordinated Notes and deferred interest will bear additional interest, compounded on each interest payment date. If we have paid all deferred interest (including compounded interest thereon) on the Junior Subordinated Notes, then we may again defer interest payments.

The Junior Subordinated Notes are guaranteed by AerCap Holdings N.V. and certain of its subsidiaries.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

15. Debt (Continued)

We may at our option redeem the Junior Subordinated Notes before their maturity *(i)* in whole or in part, at any time and from time to time, on or after June 15, 2025 at 100% of their principal amount plus any accrued and unpaid interest thereon; *(ii)* in whole, but not in part, before June 15, 2025 at the make-whole redemption price, if an applicable rating agency makes certain changes to the equity credit criteria for securities such as the Junior Subordinated Notes; *(iii)* in whole, but not in part, at any time at 100% of their principal amount plus any accrued and unpaid interest thereon in the event that we become or would become obligated to pay any additional amounts as a result of a change in tax laws, regulations or official interpretations; or *(iv)* in whole, but not in part, at 101% of their principal amount plus any accrued and unpaid interest thereon within 60 days after the occurrence of a "change of control triggering event" consisting of a change of control and a decline in the rating of our senior unsecured debt securities by two applicable rating agencies. In the event that we do not redeem the Junior Subordinated Notes in connection with a change of control triggering event, the then-applicable annual interest rate borne by the Junior Subordinated Notes will increase by 5.00%.

The Junior Subordinated Notes are junior subordinated unsecured obligations, rank equally with all of AerCap Trust's future equally ranking junior subordinated indebtedness, if any, and are subordinate and junior in right of payment to all of AerCap Trust's existing and future senior indebtedness.

Subordinated debt in joint venture partners

In 2008 and 2010, AerCap Holdings N.V. and our joint venture partners each subscribed a total of approximately $64.3 million of subordinated loan notes. The subordinated debt held by AerCap Holdings N.V. is eliminated in consolidation of the joint ventures. Interest on the subordinated loan notes accrues at a rate of 15.00% per annum in the case of the AerCap Partners II joint venture. In the case of the AerCap Partners I and AerCap Partners 767 joint ventures, interest originally accrued on the subordinated loan notes at a rate of 20.00% per annum, and following an amendment entered into in June 2013, the interest rate was reduced to 0% effective as of January 1, 2013. Where *(i)* the amount which, pursuant to the terms of the senior facility, is available to the joint ventures to make payments in respect of, amongst other things, the subordinated loan notes is insufficient to meet the interest payments; or *(ii)* the terms of the senior facility prohibit the payment in full of interest on the relevant payment date, then the joint venture partners must pay the maximum amount of interest that can properly be paid to the note holders on the relevant interest payment date and the unpaid interest carries interest at a rate of 19.50% per annum until paid.

The collateral granted in respect of the subordinated loan notes also secures the senior facility. The rights of the holders of subordinated loan notes in respect of this security are subordinated to the rights of the senior facility lenders, amongst others. The subordinated loan notes are fully subordinated in all respects including in priority of payment to, amongst other debts of the joint ventures, a senior debt facility. As is the case in respect of the senior facility, the obligation of the joint ventures to make payments in respect of the subordinated loan notes is limited in recourse to certain amounts actually received by the joint ventures.

Subject to certain conditions, including (while the senior facility security remains outstanding) the consent of the collateral trustee, the joint venture partners may at any time redeem all or any of the outstanding subordinated loan notes.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

16. Income taxes

Our subsidiaries are subject to taxation in a number of tax jurisdictions, principally Ireland, the United States, and the Netherlands.

The following table presents our provision for income taxes by tax jurisdiction for the years ended December 31, 2017, 2016 and 2015:

	Year Ended December 31,		
	2017	2016	2015
Deferred tax expense (benefit)			
Ireland	$ 144,532	$ 141,364	$ 151,623
United States	56,650	(41,163)	(65,341)
The Netherlands	(7,470)	(8,346)	(7,453)
Other	(14,188)	14,124	22,130
	179,524	**105,979**	**100,959**
Deferred tax expense (benefit) related to an increase (decrease) in changes in valuation allowance of deferred tax assets			
Ireland	1,366	1,562	—
United States	(29,147)	54,056	10,074
The Netherlands	(8,518)	12,843	13,915
Other	13,796	(13,100)	(13,922)
	(22,503)	**55,361**	**10,067**
Current tax expense (benefit)			
Ireland	5,606	4,730	(99)
United States	(1,659)	3,166	39,358
The Netherlands	717	1,164	37,512
Other	3,033	3,096	2,008
	7,697	**12,156**	**78,779**
Provision for income taxes	**$ 164,718**	**$ 173,496**	**$ 189,805**

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

16. Income taxes (Continued)

The following table provides a reconciliation of the statutory income tax expense to provision for income taxes for the years ended December 31, 2017, 2016 and 2015:

	Year Ended December 31,		
	2017	2016	2015
Income tax expense at statutory income tax rate of 12.5%	$ 154,484	$ 150,050	$ 170,712
Permanent differences	23,737 (a)	29,057 (b)	29,555 (c)
Foreign rate differential	(13,503)	(5,611)	(10,462)
	10,234	**23,446**	**19,093**
Provision for income taxes	**$ 164,718**	**$ 173,496**	**$ 189,805**

(a) The 2017 permanent differences included non-deductible share-based compensation in Ireland and in the Netherlands, impacts of the change in tax rate in the United States, and a valuation allowance change in respect of U.S., Dutch and Irish tax losses.

(b) The 2016 permanent differences included non-deductible share-based compensation in Ireland and in the Netherlands, non-deductible intercompany interest allocated to the United States, and a valuation allowance taken in respect of U.S., Dutch and Irish tax losses.

(c) The 2015 permanent differences included the non-deductible intercompany interest allocated to the United States, non-deductible share-based compensation in the Netherlands, non-deductible costs relating to the transfer of certain functions from the Netherlands to Ireland, and a valuation allowance taken in respect of U.S. and Dutch tax losses.

The following tables present our foreign rate differential by tax jurisdiction for the years ended December 31, 2017, 2016 and 2015:

	Year Ended December 31, 2017			
	Pre-tax income (loss)	Local statutory tax rate (a)	Variance to Irish statutory tax rate of 12.5%	Tax variance as a result of global activities (b)
Tax jurisdiction				
Ireland	$ 1,212,029	12.5%	0.0 %	$ —
United States	72,390	35.7%	23.2 %	16,744
The Netherlands	(61,086)	25.0%	12.5 %	(7,636)
Isle of Man	185,882	0.0%	(12.5)%	(23,235)
Other	9,138	19.3%	6.8 %	624
Taxable income	**$ 1,418,353**			**$ (13,503)**
Permanent differences (c)	(182,481)			
Income from continuing operations before income tax	**$ 1,235,872**			

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

16. Income taxes (Continued)

	Year Ended December 31, 2016			
	Pre-tax income (loss)	Local statutory tax rate (a)	Variance to Irish statutory tax rate of 12.5%	Tax variance as a result of global activities (b)
Tax jurisdiction				
Ireland	$ 1,151,387	12.5%	0.0 %	$ —
United States	44,238	36.3%	23.8 %	10,529
The Netherlands	37,580	25.0%	12.5 %	4,698
Isle of Man	181,286	0.0%	(12.5)%	(22,661)
Other	18,989	22.1%	9.6 %	1,823
Taxable income	**$ 1,433,480**			**$ (5,611)**
Permanent differences (d)	(233,084)			
Income from continuing operations before income tax	**$ 1,200,396**			

	Year Ended December 31, 2015			
	Pre-tax income (loss)	Local statutory tax rate (a)	Variance to Irish statutory tax rate of 12.5%	Tax variance as a result of global activities (b)
Tax jurisdiction				
Ireland	$ 1,212,190	12.5%	0.0 %	$ —
United States	(43,825)	36.3%	23.8 %	(10,430)
The Netherlands	175,897	25.0%	12.5 %	21,987
Isle of Man	181,118	0.0%	(12.5)%	(22,640)
Other	77,671	13.3%	0.8 %	621
Taxable income	**$ 1,603,051**			**$ (10,462)**
Permanent differences (e)	(237,352)			
Income from continuing operations before income tax	**$ 1,365,699**			

(a) The local statutory income tax expense for our significant tax jurisdictions (Ireland, the United States, the Netherlands and Isle of Man) does not differ from the actual income tax expense.

(b) The tax variance as a result of global activities is primarily caused by our operations in countries with a higher or lower statutory tax rate than the statutory tax rate in Ireland.

(c) The 2017 permanent differences included non-deductible share-based compensation in Ireland and in the Netherlands, impacts of the change in tax rate in the United States, and a valuation allowance change in respect of U.S., Dutch and Irish tax losses.

(d) The 2016 permanent differences included non-deductible share-based compensation in Ireland and in the Netherlands, non-deductible intercompany interest allocated to the United States, and a valuation allowance taken in respect of U.S., Dutch and Irish tax losses.

(e) The 2015 permanent differences included the non-deductible intercompany interest allocated to the United States, non-deductible share-based compensation in the Netherlands, non-deductible costs relating to the transfer of certain functions from the Netherlands to Ireland, and a valuation allowance taken in respect of U.S. and Dutch tax losses.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

16. Income taxes (Continued)

The calculation of income for tax purposes differs significantly from book income. Deferred income tax is provided to reflect the impact of temporary differences between the amounts of assets and liabilities for financial reporting purposes and such amounts as measured under tax law in the various jurisdictions. Tax loss carry forwards and accelerated tax depreciation on flight equipment held for operating leases give rise to the most significant timing differences.

The following tables provide details regarding the principal components of our deferred income tax liabilities and assets by jurisdiction as of December 31, 2017 and 2016:

	As of December 31, 2017				
	Ireland	United States	The Netherlands	Other	Total
Depreciation/Impairment	$ (1,336,757)	$ 1,553	$ 9,138	$ 327	$ (1,325,739)
Intangibles	(4,159)	(5,341)	—	—	(9,500)
Interest expense	—	(166)	—	—	(166)
Accrued maintenance liability	(4,362)	4,055	—	—	(307)
Obligations under capital leases and debt obligations	(4,691)	—	—	—	(4,691)
Investments	—	(8,095)	—	—	(8,095)
Deferred losses on sale of assets	—	32,119	—	—	32,119
Accrued expenses	—	7,338	—	—	7,338
Valuation allowance	(2,928)	(59,983)	(18,240)	(23,707)	(104,858)
Losses and credits forward	850,774	59,260	26,047	25,731	961,812
Other	(70,042)	(2,543)	(542)	2,500	(70,627)
Net deferred income tax (liabilities) assets	**$ (572,165)**	**$ 28,197**	**$ 16,403**	**$ 4,851**	**$ (522,714)**

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

16. Income taxes (Continued)

	As of December 31, 2016				
	Ireland	United States	The Netherlands	Other	Total
Depreciation/Impairment	$ (1,030,901)	$ (16,322)	$ 8,547	$ (63)	$ (1,038,739)
Intangibles	(6,353)	(16,242)	—	—	(22,595)
Interest expense	—	(588)	—	—	(588)
Accrued maintenance liability	(6,028)	12,810	—	—	6,782
Obligations under capital leases and debt obligations	(3,151)	—	—	—	(3,151)
Investments	—	(12,641)	—	—	(12,641)
Deferred losses on sale of assets	—	66,119	—	—	66,119
Accrued expenses	—	13,942	—	—	13,942
Valuation allowance	(1,562)	(89,130)	(26,758)	(9,911)	(127,361)
Losses and credits forward	666,214	92,215	26,759	20,693	805,881
Other	(46,133)	5,539	(4,399)	(6,190)	(51,183)
Net deferred income tax (liabilities) assets	**$ (427,914)**	**$ 55,702**	**$ 4,149**	**$ 4,529**	**$ (363,534)**

The net deferred income tax liabilities as of December 31, 2017 of $522.7 million were recognized in our Consolidated Balance Sheet as deferred income tax assets of $151.2 million and as deferred income tax liabilities of $673.9 million.

The net deferred income tax liabilities as of December 31, 2016 of $363.5 million were recognized in our Consolidated Balance Sheet as deferred income tax assets of $215.4 million and as deferred income tax liabilities of $579.0 million.

The following table presents the movements in the valuation allowance for deferred income tax assets during the years ended December 31, 2017 and 2016:

	Year Ended December 31,	
	2017	2016
Valuation allowance at beginning of period	$ 127,361	$ 72,000
(Decrease) increase of allowance to income tax provision	(22,503)	55,361
Valuation allowance at end of period	**$ 104,858**	**$ 127,361**

The valuation allowance as of December 31, 2017 of $104.9 million included $2.9 million related to loss carry forwards in Ireland, $60.0 million related to having insufficient sources of projected taxable income to fully realize the deferred tax asset in the United States, $18.2 million related to loss carry forwards in the Netherlands and $23.7 million related to losses and credit forwards in Australia.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

16. Income taxes (Continued)

The valuation allowance as of December 31, 2016 of $127.4 million included $1.6 million related to loss carry forwards in Ireland, $89.1 million related to having insufficient sources of projected taxable income to fully realize the deferred tax asset in the United States, particularly in respect of our U.S. subsidiary AeroTurbine, $26.8 million related to loss carry forwards in the Netherlands, and $9.9 million related to losses and credit forwards in Australia.

As of December 31, 2017 and 2016, we had $31.0 million and $29.8 million, respectively, of unrecognized tax benefits. Substantially all of the unrecognized tax benefits as of December 31, 2017, if recognized, would affect our effective tax rate. Although it is reasonably possible that a change in the balance of unrecognized tax benefits may occur within the next 12 months, based on the information currently available, we do not expect any change to be material to our consolidated financial condition.

Our primary tax jurisdictions are Ireland, the United States and the Netherlands. Our tax returns are open for examination in Ireland from 2013 forward, in the United States from 2014 forward and in the Netherlands from 2012 forward. In the United States, the 2014 and 2015 audits of the federal income tax returns of some of our U.S. resident subsidiaries closed without adjustment in 2017.

Our policy is to recognize accrued interest on the underpayment of income taxes as a component of interest expense and penalties associated with tax liabilities as a component of provision for income taxes.

Ireland

Since 2006, the enacted Irish corporate income tax rate has been 12.5%. Some of our Irish tax-resident operating subsidiaries have significant losses carry forward as of December 31, 2017 which give rise to deferred income tax assets. The availability of these losses does not expire with time. In addition, the vast majority of all of our Irish tax-resident subsidiaries are entitled to accelerated aircraft depreciation for tax purposes and shelter net taxable income with the surrender of losses on a current year basis within the Irish tax group. Based on projected taxable profits in our Irish subsidiaries, we expect to recover the majority of the value of our Irish tax assets and have not recognized a valuation allowance against such assets, with the exception of $2.9 million, as of December 31, 2017.

United States

Our U.S. subsidiaries are assessable to federal and state U.S. taxes. Since the ILFC Transaction, we no longer file one consolidated federal income tax return. We have two distinct groups of U.S. companies that file consolidated returns. The blended federal and state tax rate applicable to our combined U.S. group was 35.7% for the year ended December 31, 2017. Due to a restructuring of activities in the U.S. AeroTurbine group, which started in late 2015, we do not expect to generate sufficient sources of taxable income to realize our deferred income tax asset in the United States. Additionally, certain tax attributes are subject to an annual limitation as a result of the change in ownership in 2015 as defined under Internal Revenue Code Section 382. Our U.S. federal net operating losses expire between 2026 and 2037.

On December 22, 2017, the United States enacted new tax legislation (the "Tax Legislation") that significantly revises the Internal Revenue Code of 1986, as amended. The Tax Legislation included, among other things, a reduction of the U.S. corporate income tax rate from 35% to 21% effective January 1, 2018. As a result of the Tax Legislation, we reassessed our deferred tax assets and liabilities and recorded a tax expense in 2017 of approximately $22 million.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

16. Income taxes (Continued)

The Netherlands

The majority of our Dutch subsidiaries are part of two Dutch fiscal unities and are included in consolidated tax filings. Current tax expenses are limited with respect to the Dutch subsidiaries due to the existence of interest bearing intercompany liabilities. Deferred income tax is calculated using the Dutch corporate income tax rate (25.0%). Tax losses in the Netherlands can generally be carried back one year and carried forward nine years before expiry.

17. Equity

In February 2016, our Board of Directors approved a share repurchase program authorizing total repurchases of up to $400 million of AerCap ordinary shares through June 30, 2016. We completed this share repurchase program on June 1, 2016.

In May 2016, our Board of Directors approved a share repurchase program authorizing total repurchases of up to $250 million of AerCap ordinary shares through September 30, 2016. We completed this share repurchase program on September 7, 2016.

In August 2016, our Board of Directors approved a share repurchase program authorizing total repurchases of up to $250 million of AerCap ordinary shares through December 31, 2016. We completed this share repurchase program on December 8, 2016.

In November 2016, our Board of Directors approved a share repurchase program authorizing total repurchases of up to $250 million of AerCap ordinary shares through March 31, 2017. We completed this share repurchase program on March 6, 2017.

In February 2017, our Board of Directors approved a share repurchase program authorizing total repurchases of up to $350 million of AerCap ordinary shares through June 30, 2017. We completed this share repurchase program on June 12, 2017.

In May 2017, our Board of Directors approved a share repurchase program authorizing total repurchases of up to $300 million of AerCap ordinary shares through September 30, 2017. In July 2017, this share repurchase program was extended to run through December 31, 2017. We completed this share repurchase program on September 26, 2017.

In July 2017, our Board of Directors approved a share repurchase program authorizing total repurchases of up to $250 million of AerCap ordinary shares through December 31, 2017. In October 2017, this share repurchase program was extended to run through March 31, 2018. We completed this share repurchase program on December 14, 2017.

In October 2017, our Board of Directors approved a share repurchase program authorizing total repurchases of up to $200 million of AerCap ordinary shares through March 31, 2018. We completed this share repurchase program on February 21, 2018.

In February 2018, our Board of Directors approved a share repurchase program authorizing total repurchases of up to $200 million of AerCap ordinary shares through June 30, 2018. As of March 2, 2018, the dollar amount remaining under this share repurchase program was $145.7 million. Please refer to Note 32—*Subsequent events* for further details.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

17. Equity (Continued)

During the year ended December 31, 2017, we repurchased an aggregate of 23,732,835 of our ordinary shares under our share repurchase programs at an average price, including commissions, of $47.39 per ordinary share.

Between January 1, 2018 and March 2, 2018, we repurchased an aggregate of 4,076,603 of our ordinary shares under our share repurchase programs at an average price, including commissions, of $52.40 per ordinary share.

During the year ended December 31, 2017, our Board of Directors cancelled 20,000,000 ordinary shares which were acquired through the share repurchase programs in accordance with the authorizations obtained from the Company's shareholders.

In January 2018, we cancelled 5,000,000 ordinary shares and in March 2018, we cancelled a further 6,000,000 ordinary shares, which were acquired through the share repurchase programs in accordance with the authorizations obtained from the Company's shareholders.

Movements in AOCI for the years ended December 31, 2017 and 2016 were as follows:

	Net change in fair value of derivatives	Actuarial gain (loss) on pension obligations	Total
Balance as of December 31, 2015	**$ (18)**	**$ (6,289)**	**$ (6,307)**
Total other comprehensive income (loss)	5,990	(1,452)	4,538
Balance as of December 31, 2016	**$ 5,972**	**$ (7,741)**	**$ (1,769)**
Total other comprehensive income	14,918	1,125	16,043
Balance as of December 31, 2017	**$ 20,890**	**$ (6,616)**	**$ 14,274**

18. Share-based compensation

Under our equity incentive plans, we have granted restricted stock units, restricted stock and stock options to directors, officers and employees to attract and retain them on competitive terms, and to incentivize superior performance with a view to creating long-term value for the benefit of the Company, its shareholders and other stakeholders.

AerCap Holdings N.V. Equity Grants

In March 2012, we implemented an equity incentive plan (the "Equity Incentive Plan 2012") which provides for the grant of stock options, non-qualified stock options, restricted stock, restricted stock units, stock appreciation rights and other stock awards to participants of the plan selected by the Nomination and Compensation Committee of our Board of Directors. Effective May 14, 2014, the Equity Incentive Plan 2012 was expanded and the maximum number of shares available under the plan is equivalent to 8,064,081 Company shares. The Equity Incentive Plan 2012 is not open for equity awards to our directors.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

18. Share-based compensation (Continued)

On May 14, 2014, we implemented an equity incentive plan (the "Equity Incentive Plan 2014") which provides for the grant of equity awards to participants of the plan selected by the Nomination and Compensation Committee of our Board of Directors. The maximum number of shares available under the plan is equivalent to 4,500,000 Company shares. The Equity Incentive Plan 2014 is open for equity awards to our directors.

The Equity Incentive Plan 2014 replaced an equity incentive plan that was implemented in October 2006 (the "Equity Incentive Plan 2006"). The Equity Incentive Plan 2014, Equity Incentive Plan 2012 and Equity Incentive Plan 2006 are collectively referred to herein as "AerCap Holdings N.V. Equity Plans." Prior awards remain in effect pursuant to their terms and conditions. The terms and conditions of the Equity Incentive Plan 2006 and the Equity Incentive Plan 2014 are substantially the same.

The terms and conditions, including the vesting conditions, of the equity awards granted under AerCap Holdings N.V. Equity Plans are determined by the Nomination and Compensation Committee and, for our directors, by the Board of Directors in line with the remuneration policies approved by the General Meeting of Shareholders. The vesting periods of the majority of equity awards range between three years and five years. Our long-term equity awards are subject to long-term performance vesting criteria, based on the Company's U.S. GAAP EPS budget over the specified periods, in order to promote and encourage superior performance over a prolonged period of time. Some of our officers receive annual equity awards as part of their compensation package. Annual equity awards are granted after the year end and the number of awards granted is dependent on the Company's actual performance relative to the U.S. GAAP EPS budget and the respective officer's personal performance during the previous financial year. All outstanding awards of restricted stock units are convertible into ordinary shares of the Company at a ratio of one-to-one, prior to deduction for payroll withholding taxes. Shares subject to outstanding equity awards, which are not issued or delivered by reason of, amongst others, the cancellation or forfeiture of such awards or the withholding of such shares to settle tax obligations, shall again be available under the AerCap Holdings N.V. Equity Plans.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

18. Share-based compensation (Continued)

The following table presents movements in the outstanding restricted stock units and restricted stock under the AerCap Holdings N.V. Equity Plans during the year ended December 31, 2017:

	Year Ended December 31, 2017			
	Number of time-based restricted stock units and restricted stock	Number of performance-based restricted stock units and restricted stock	Weighted average grant date fair value of time-based grants ($)	Weighted average grant date fair value of performance-based grants ($)
Number at beginning of period	**3,579,834**	**5,512,342**	**$ 42.78**	**$ 46.19**
Granted (a)	740,690	1,079,416	50.68	51.49
Vested (b)	(859,033)	(440,064)	33.59	46.59
Cancelled	(85,404)	(29,445)	44.08	42.10
Number at end of period	**3,376,087**	**6,122,249**	**$ 46.85**	**$ 47.12**

(a) Includes 451,070 shares of restricted stock granted under the AerCap Holdings N.V. Equity Plans, of which 279,697 shares of restricted stock were issued with the remaining 171,373 shares being withheld and applied to pay the taxes involved. As part of the 171,373 shares withheld to pay for taxes, 64,771 shares were treated as granted and subsequently vested on the grant date under specific Irish tax legislation. As a result, we recognized an expense of $3.4 million on the grant dates associated with these shares.

(b) 296,201 restricted stock units, which were previously granted under the AerCap Holdings N.V. Equity Plans, vested. In connection with the vesting of the restricted stock units, the Company issued, in full satisfaction of its obligations, 187,096 ordinary shares to the holders of these restricted stock units, with the remainder being withheld and applied to pay the taxes in respect of those awards. Restrictions on 938,125 shares of restricted stock (655,207 shares of restricted stock net of withholding for taxes) lapsed during the period. In addition, 64,771 shares were treated as granted and subsequently vested on the grant dates as described in (a) above.

Included in the numbers of outstanding restricted stock units and restricted stock under the AerCap Holdings N.V. Equity Plans during the year ended December 31, 2017, as shown in the table above, are a significant number of awards granted in December 2017 to replace awards which were granted in connection with the ILFC acquisition in 2014 and which are due to vest during the first half of 2018. As a result, the number of outstanding restricted stock units and restricted stock awards as of December 31, 2017 reflects an overlap between previous awards that are due to vest in 2018 (approximately 6.5 million awards are due to vest in 2018) and the recent replacement awards that have the objective of retaining and incentivizing the recipients for future periods. As a result, we expect the total number of outstanding equity awards to become lower following the vesting of awards in 2018.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

18. Share-based compensation (Continued)

The following table presents movements in the outstanding stock options under the Equity Incentive Plan 2006 (no options were granted under the Equity Incentive Plan 2012 or Equity Incentive Plan 2014) and the stock options that rolled over from the amalgamation of Genesis in 2010 during the year ended December 31, 2017. All of the outstanding Genesis amalgamation related options have vested and been exercised. All outstanding options under the Equity Incentive Plan 2006 have vested.

	Year Ended December 31, 2017	
	Number of options	Weighted average exercise price ($)
Options outstanding at beginning of period (a)	**140,045**	**$ 6.02**
Exercised (a)	(102,100)	3.41
Options outstanding at end of period	**37,945**	**$ 13.02**

(a) Includes 2,100 AER options granted to former Genesis directors and employees at the closing of the amalgamation with Genesis on March 25, 2010. These options were issued pursuant to a separate board resolution, and not under any of the AerCap Holdings N.V. Equity Plans. They have all vested as of December 31, 2017.

The amount of share-based compensation expense is determined by reference to the fair value of the restricted stock units or restricted stock on the grant date, based on the trading price of the Company's shares on the grant date and reflective of the probability of vesting. All outstanding options have been fully expensed.

We recognized share-based compensation expense of $107.7 million, $102.8 million and $100.2 million during the years ended December 31, 2017, 2016 and 2015, respectively. The following table presents our expected share-based compensation expense based on existing grants, assuming that the established performance criteria are met and that no forfeitures occur:

	Expected share-based compensation expense (U.S. Dollars in millions)
2018	$ 75.5
2019	36.0
2020	19.0
2021	4.7

19. Pension plans

We operate defined benefit plans and defined contribution pension plans for our employees. All of these plans, individually or on an aggregate basis, do not have a material impact on our Consolidated Balance Sheets or Consolidated Income Statements.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

20. Geographic information

The following table presents *(i)* the percentage of lease revenue attributable to individual countries representing at least 10% of our total lease revenue in any year presented; and *(ii)* the percentage of lease revenue attributable to Ireland, our country of domicile, based on each lessee's principal place of business, for the years ended December 31, 2017, 2016 and 2015:

	Year Ended December 31,					
	2017		2016		2015	
	Amount	%	Amount	%	Amount	%
China (a)	$ 648,343	13.8%	$ 669,859	13.8%	$ 656,809	13.2%
United States	568,999	12.1%	535,526	11.0%	538,686	10.8%
Ireland	120,500	2.6%	117,259	2.4%	58,571	1.2%
Other countries (b)	3,375,960	71.5%	3,544,979	72.8%	3,737,485	74.8%
Total	**$ 4,713,802**	**100.0%**	**$ 4,867,623**	**100.0%**	**$ 4,991,551**	**100.0%**

(a) Includes mainland China, Hong Kong and Macau.
(b) No individual country within this category accounts for more than 10% of our lease revenue.

The following table presents *(i)* the percentage of long-lived assets, including flight equipment held for operating leases, flight equipment held for sale, net investment in finance and sales-type leases and maintenance rights intangible assets, attributable to individual countries representing at least 10% of our total long-lived assets in any year presented; and *(ii)* the percentage of long-lived assets attributable to Ireland, our country of domicile, based on each lessee's principal place of business, as of December 31, 2017 and 2016:

	As of December 31,			
	2017		2016 (c)	
	Amount	%	Amount	%
China (a)	$ 5,218,057	14.7%	$ 4,962,336	14.5%
United States	4,816,416	13.6%	4,752,971	13.9%
Ireland	1,141,992	3.2%	703,635	2.1%
Other countries (b)	24,231,703	68.5%	23,858,317	69.5%
Total	**$ 35,408,168**	**100.0%**	**$ 34,277,259**	**100.0%**

(a) Includes mainland China, Hong Kong and Macau.
(b) No individual country within this category accounts for more than 10% of our long-lived assets.
(c) Excludes AeroTurbine long-lived assets of $105.7 million as of December 31, 2016.

We lease and sell aircraft to airlines and others throughout the world and our trade and notes receivables are from entities located throughout the world. During the years ended December 31, 2017, 2016 and 2015, we had no lessees that represented more than 10% of total lease revenue.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

21. Selling, general and administrative expenses

Selling, general and administrative expenses consisted of the following for the years ended December 31, 2017, 2016 and 2015:

	Year Ended December 31,		
	2017	2016	2015
Personnel expenses	$ 156,726	$ 149,505	$ 161,967
Share-based compensation	107,719	102,843	100,162
Travel expenses	19,774	21,201	23,090
Professional services	28,585	30,983	42,921
Office expenses	16,105	20,703	26,989
Directors' expenses	3,345	3,051	2,780
Other expenses	16,037	22,726	23,399
	$ 348,291	**$ 351,012**	**$ 381,308**

22. Other income

Other income consisted of the following for the years ended December 31, 2017, 2016 and 2015:

	Year Ended December 31,		
	2017	2016	2015
Management fees	$ 13,426	$ 18,298	$ 23,094
Interest and other income	81,172 (a)	127,688 (b)	89,582 (c)
	$ 94,598	**$ 145,986**	**$ 112,676**

(a) Includes income from lease terminations of $46.5 million.

(b) Includes income from lease terminations of $63.2 million, net insurance proceeds of $54.2 million and a gain related to the repayment of a note receivable earlier than expected of $27.7 million. In addition, we incurred an expense of $36.0 million related to a lower of cost or market adjustment of AeroTurbine's parts inventory as a result of the AeroTurbine downsizing. Please refer to Note 25—*AeroTurbine restructuring.*

(c) Includes income from net insurance proceeds of $16.2 million and the settlement of asset value guarantees of $22.6 million. In addition, we incurred an expense of $38.7 million related to a lower of cost or market adjustment of AeroTurbine's parts inventory as a result of the AeroTurbine downsizing. Please refer to Note 25—*AeroTurbine restructuring.*

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

23. Lease revenue

Our current operating lease agreements expire up to and over the next 14 years. The contracted minimum future lease payments receivable from lessees for flight equipment on non-cancelable operating leases for our owned aircraft and engines as of December 31, 2017 were as follows:

	Contracted minimum future lease payments receivable
2018	$ 3,964,268
2019	3,497,545
2020	3,021,796
2021	2,704,523
2022	2,408,034
Thereafter	8,546,457
	$ 24,142,623

24. Asset impairment

Asset impairment consisted of the following for the years ended December 31, 2017, 2016 and 2015:

	Year Ended December 31,		
	2017	2016	2015
Flight equipment held for operating leases (Note 5)	$ 54,331	$ 78,335	$ 16,322
Flight equipment held for sale	6,955	3,272	—
Other assets	—	—	13
	$ 61,286	**$ 81,607**	**$ 16,335**

Our long-lived assets include flight equipment and definite-lived intangible assets. We test long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amounts of the assets may not be recoverable.

During the year ended December 31, 2017, we recognized impairment charges of $61.3 million on 13 aircraft and two engines. The impairment charges primarily related to lease terminations for six aircraft and one engine. These impairments were more than offset by lease revenue that we recognized when we retained maintenance-related balances or received EOL compensation. In addition, we recognized impairment charges for seven aircraft and one engine that were part of sale transactions. These impairments were partially offset by lease revenue that we recognized when we retained maintenance-related balances.

During the year ended December 31, 2016, we recognized impairment charges of $81.6 million on 35 aircraft. The impairment charges primarily related to lease terminations and amendments of lease agreements for 25 aircraft. These impairments were more than offset by lease revenue that we recognized when we retained maintenance-related balances or received EOL compensation. In addition, we recognized impairment charges for related to ten aircraft that were part of portfolio sale transactions.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

24. Asset impairment (Continued)

During the year ended December 31, 2015, we recognized impairment charges of $16.3 million, primarily related to eight aircraft and 12 engines. Four of the impaired aircraft were redelivered from the respective lessees for which we retained maintenance-related balances or received EOL compensation. The impairment on the remaining four aircraft and 12 engines was recognized as their net book values were no longer supportable based on our latest cash flow estimates for each of these assets.

During the years ended December 31, 2016 and 2015, we also recognized impairment charges for certain AeroTurbine intangible assets and leased engines. Please refer to Note 25—*AeroTurbine restructuring* for further details.

25. AeroTurbine restructuring

At the end of 2015, we decided to restructure and downsize the AeroTurbine business. Since we made this decision, AeroTurbine has been actively reducing its debt and total assets by disposing of engines from its engine leasing portfolio as well as parts from its inventory.

In connection with the downsizing, during the year ended December 31, 2015, we performed recoverability assessments of AeroTurbine's long-lived assets. These recoverability assessments indicated that the book value of certain AeroTurbine intangible assets and leased engines were no longer supported by their future expected cash flows. The resulting impairment was measured as the excess of the carrying amount of each asset over its fair value. Fair value was estimated based on the present value of future cash flows expected to be generated from the asset, including its expected residual value, discounted at a rate commensurate with the associated risk. During the year ended December 31, 2015, we also recognized a lower of cost or market adjustment of $38.7 million related to AeroTurbine's parts inventory. Please refer to Note 22—*Other income*.

During 2016, AeroTurbine entered into a letter of intent to sell its storage and maintenance facility located in Goodyear, Arizona, which resulted in a write-down of assets and associated intangible assets. We also completed a review of AeroTurbine's engine leasing portfolio and identified specific engines for longer-term use and support of AerCap's core aircraft leasing business, as well as the specific engines to be sold by AeroTurbine to third parties. As a result, we recognized impairments related primarily to older, out-of-production engines. The sale of the Goodyear operations and the engine portfolio review, together, triggered our decision in the second half of 2016, to accelerate the final phase of the AeroTurbine downsizing. We performed a review of AeroTurbine's parts inventory, and during 2016, we recognized a lower of cost or market adjustment of $36.0 million based on current available market information. Please refer to Note 22—*Other income*.

During 2017, AeroTurbine completed the sale of its Goodyear operations and the AeroTurbine revolving credit facility was fully repaid and terminated. In addition, AeroTurbine executed an amendment to the existing lease agreement for its facility in Florida and, as a result, we recognized lease termination fees of $7.6 million.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

25. AeroTurbine restructuring (Continued)

We recorded the following charges in transaction, integration and restructuring related expenses in our Consolidated Income Statements during the years ended December 31, 2017, 2016 and 2015:

	Year Ended December 31,		
	2017	2016	2015
Lease termination fees	$ 7,645	$ —	$ —
Severance expenses and other	4,298	19,801	2,072
Leased engines impairment	2,662	15,392	22,402
Other intangible assets impairment	—	14,868	24,837
Write-down of fixed assets and consumable inventory	—	3,328	—
	$ 14,605	**$ 53,389**	**$ 49,311**

26. Earnings per share

Basic EPS is calculated by dividing net income by the weighted average number of our ordinary shares outstanding, which excludes 3,007,752, 3,426,810 and 3,030,724 shares of unvested restricted stock as of December 31, 2017, 2016 and 2015, respectively. For the calculation of diluted EPS, the weighted average of our ordinary shares outstanding for basic EPS is adjusted by the effect of dilutive securities, including awards under our equity compensation plans. The number of shares excluded from diluted shares outstanding was 509,677, 152,314 and 36,666 for the years ended December 31, 2017, 2016 and 2015, respectively, because the effect of including those shares in the calculation would have been anti-dilutive.

The computations of basic and diluted EPS for the years ended December 31, 2017, 2016 and 2015 were as follows:

	Year Ended December 31,		
	2017	2016	2015
Net income for the computation of basic EPS	$ 1,076,151	$ 1,046,630	$ 1,178,730
Weighted average ordinary shares outstanding—basic	161,059,552	185,514,370	203,850,828
Basic EPS	**$ 6.68**	**$ 5.64**	**$ 5.78**

	Year Ended December 31,		
	2017	2016	2015
Net income for the computation of diluted EPS	$ 1,076,151	$ 1,046,630	$ 1,178,730
Weighted average ordinary shares outstanding—diluted	167,287,508	189,682,036	206,224,135
Diluted EPS	**$ 6.43**	**$ 5.52**	**$ 5.72**

The computations of ordinary shares outstanding, excluding shares of unvested restricted stock, as of December 31, 2017, 2016 and 2015 were as follows:

	As of December 31,		
	2017	2016	2015
	Number of ordinary shares		
Ordinary shares issued	167,847,345	187,847,345	203,411,207
Treasury shares	(14,855,244)	(11,600,191)	(3,069,003)
Ordinary shares outstanding	**152,992,101**	**176,247,154**	**200,342,204**
Shares of unvested restricted stock	(3,007,752)	(3,426,810)	(3,030,724)
Ordinary shares outstanding, excluding shares of unvested restricted stock	**149,984,349**	**172,820,344**	**197,311,480**

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

27. Variable interest entities

Our leasing and financing activities require us to use many forms of entities to achieve our business objectives and we have participated to varying degrees in the design and formation of these entities. Our involvement in VIEs varies and includes being a passive investor in the VIE with involvement from other parties, managing and structuring all the VIE's activities, or being the sole shareholder of the VIE.

During the year ended December 31, 2017, we did not provide any financial support to any of our VIEs that we were not contractually obligated to provide.

Consolidated VIEs

As of December 31, 2017 and 2016, substantially all assets and liabilities presented in our Consolidated Balance Sheets were held in consolidated VIEs. The assets of our consolidated VIEs that can only be used to settle obligations of these entities, and the liabilities of these VIEs for which creditors do not have recourse to our general credit, are disclosed in our Consolidated Balance Sheets under *Supplemental balance sheet information.* Further details of debt held by our consolidated VIEs are disclosed in Note 15—*Debt.*

Wholly-owned ECA and Ex-Im financing vehicles

We have created certain wholly-owned subsidiaries for the purpose of purchasing aircraft and obtaining financing secured by such aircraft. The secured debt is guaranteed by the European ECAs and the Export-Import Bank of the United States. These entities meet the definition of a VIE because they do not have sufficient equity to operate without subordinated financial support from us in the form of intercompany notes. We have determined that we are the PB of these entities because we control and manage all aspects of these entities, including directing the activities that most significantly affect the entities' economic performance, we absorb the majority of the risks and rewards of these entities and we guarantee the activities of these entities.

Other secured financings

We have created a number of wholly-owned subsidiaries for the purpose of obtaining secured financings. These entities meet the definition of a VIE because they do not have sufficient equity to operate without subordinated financial support from us in the form of intercompany notes. We have determined that we are the PB of these entities because we control and manage all aspects of these entities, including directing the activities that most significantly affect the entities' economic performance, we absorb the majority of the risks and rewards of these entities and we guarantee the activities of these entities.

Wholly-owned leasing entities

We have created wholly-owned subsidiaries for the purpose of facilitating aircraft leases with airlines. These entities meet the definition of a VIE because they do not have sufficient equity to operate without subordinated financial support from us in the form of intercompany notes, which serve as equity. We have determined that we are the PB of these entities because we control and manage all aspects of these entities, including directing the activities that most significantly affect the entities' economic performance, we absorb the majority of the risks and rewards of these entities and we guarantee the activities of these entities.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

27. Variable interest entities (Continued)

Limited recourse financing structures

We have established entities to obtain secured financings for the purchase of aircraft in which we have variable interests. These entities meet the definition of a VIE because they do not have sufficient equity to operate without subordinated financial support from us in the form of intercompany notes. The loans of these entities are non-recourse to us except under limited circumstances. We have determined that we are the PB of these entities because we control and manage all aspects of these entities, including directing the activities that most significantly affect the entities' economic performance, and we absorb the majority of the risks and rewards of these entities.

AerCap Partners I

AerCap Partners I Holding Limited ("AerCap Partners I") is a 50%-50% joint venture owned by us and Deucalion Aviation Funds. We provide lease management, insurance management and aircraft asset management services to AerCap Partners I for a fee. We have determined that we are the PB of the entity because we direct the activities that most significantly affect the economic performance of the entity and we absorb a significant portion of the risks and rewards of the entity.

As of December 31, 2017, AerCap Partners I had a portfolio consisting of seven Boeing 737NG aircraft. As of December 31, 2017, AerCap Partners I had $59.9 million outstanding under a senior debt facility, which is guaranteed by us, and $63.8 million of subordinated debt outstanding, consisting of $31.9 million from us and $31.9 million from our joint venture partner.

AerCap Partners II

AerCap Partners 2 Holding Limited ("AerCap Partners II") is a 50%-50% joint venture owned by us and Deucalion Aviation Funds. We provided lease management, insurance management and aircraft asset management services to AerCap Partners II for a fee. We have determined that we continue to be the PB of the entity because we direct the activities that most significantly affect the economic performance of the entity and we absorb a significant portion of the risks and rewards of the entity.

As of December 31, 2017, AerCap Partners II did not own any aircraft. As of December 31, 2017, AerCap Partners II had $16.8 million of subordinated debt outstanding, consisting of $8.4 million from us and $8.4 million from our joint venture partner. The ECA senior debt facility was repaid in full in December 2017. The $16.8 million of subordinated debt was repaid in full in February 2018.

AerCap Partners 767

AerCap Partners 767 Limited ("AerCap Partners 767") is a 50%-50% joint venture owned by us and Deucalion Aviation Funds. We provide lease management, insurance management and aircraft asset management services to AerCap Partners 767 for a fee. We have determined that we are the PB of the entity because we direct the activities that most significantly affect the economic performance of the entity and we absorb a significant portion of the risks and rewards of the entity.

As of December 31, 2017, AerCap Partners 767 had a portfolio consisting of two Boeing 767-300ER aircraft. As of December 31, 2017, AerCap Partners 767 had $11.5 million outstanding under a senior debt facility, which is limited recourse to us and $31.0 million of subordinated debt outstanding, consisting of $15.5 million from us and $15.5 million from our joint venture partner.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

27. Variable interest entities (Continued)

ALS II

The ALS II senior Class A notes were repaid in full in January 2017. Prior to May 31, 2017, we held a 5% equity investment in ALS II and provided lease management, insurance management and aircraft asset management services to ALS II for a fee. On May 31, 2017, the ALS II structure was unwound and we became owner of 100% of the equity and we continue to hold 100% of the subordinated fixed rate deferrable interest asset-backed notes ("ALS II Class E-1 Notes") in ALS II. We have determined that we continue to be the PB of the entity because we continue to direct the activities that most significantly affect the economic performance of the entity and to absorb the majority of the risks and rewards of the entity.

As of December 31, 2017, ALS II had a portfolio consisting of 25 Airbus A320 Family aircraft. As of December 31, 2017, ALS II had $350.0 million of senior ALS II Class E-1 Notes outstanding due to us.

AerFunding

We hold a 5% equity investment and 100% of the subordinated fixed rate deferrable interest asset-backed notes ("AerFunding Class E-1 Notes") in AerFunding. We provide lease management, insurance management and aircraft asset management services to AerFunding for a fee. We have determined that we are the PB of the entity because we direct the activities that most significantly affect the economic performance of the entity and we absorb the majority of the risks and rewards of the entity.

As of December 31, 2017, AerFunding had a portfolio consisting of four Airbus A320 Family aircraft, two Airbus A320neo Family aircraft, one Airbus A330 aircraft, one Airbus A350 aircraft, six Boeing 737NG aircraft and four Boeing 787 aircraft. As of December 31, 2017, AerFunding had $878.4 million outstanding under a secured revolving credit facility and $272.8 million of AerFunding Class E-1 Notes outstanding due to us.

Non-consolidated VIEs

The following table presents our maximum exposure to loss in non-consolidated VIEs as of December 31, 2017 and 2016:

	As of December 31,	
	2017	2016
Carrying value of investments (Note 11)	$ 122,946	$ 118,783
Debt guarantees	104,867	125,429
Maximum exposure to loss	**$ 227,813**	**$ 244,212**

The maximum exposure to loss represents the amount that would be absorbed by us in the event that all of our assets held in the VIEs, for which we are not the PB, had no value and outstanding debt guarantees were called upon in full.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

27. Variable interest entities (Continued)

AerDragon

AerDragon is a joint venture with 50% owned by China Aviation Supplies Holding Company and the other 50% owned equally by us, affiliates of Crédit Agricole Corporate and Investment Bank, and East Epoch Limited. This joint venture enhances our presence in the Chinese market and our ability to lease our aircraft and engines throughout the entire Asia/Pacific region. We provide accounting related services to AerDragon, and guaranteed debt previously secured by certain aircraft which AerDragon purchased directly from us for a fee. As of December 31, 2017 and 2016, we guaranteed debt of nil and $3.4 million, respectively, for AerDragon. The guaranteed debt was repaid in full in August 2017, and therefore the obligations of AerDragon are non-recourse to us.

As of December 31, 2017, AerDragon had 29 narrowbody aircraft on lease to ten airlines.

We have determined that AerDragon is a VIE, in which we do not have control and therefore we are not the PB. We do have significant influence and, accordingly, we account for our investment in AerDragon under the equity method of accounting.

AerLift

AerLift is a joint venture in which we have a 39% interest. We provide asset and lease management, insurance management and cash management services to AerLift for a fee. As of December 31, 2017 and 2016, we guaranteed debt of $104.9 million and $122.0 million, respectively, for AerLift. Other than the debt for which we act as a guarantor, the debt obligations of AerLift are non-recourse to us.

As of December 31, 2017, AerLift owned four widebody aircraft.

We have determined that AerLift is a VIE in which we do not have control and therefore we are not the PB. We do have significant influence and, accordingly, we account for our investment in AerLift under the equity method of accounting.

ACSAL

In June 2013, we completed a transaction under which we sold eight Boeing 737-800 aircraft to ACSAL, an affiliate of Guggenheim, in exchange for cash, and we made a capital contribution to ACSAL in exchange for 19% of its equity. We provide aircraft asset and lease management services to ACSAL for a fee. As of December 31, 2017, ACSAL continued to own the eight aircraft.

We have determined that ACSAL is a VIE in which we do not have control and therefore we are not the PB. We do have significant influence and, accordingly, we account for our investment in ACSAL under the equity method of accounting.

Peregrine

In December 2017, we invested in Peregrine, a vehicle established by NCB Capital for the purpose of acquiring a portfolio of 21 aircraft from us. We will have a 9.5% investment in Peregrine. We provide asset and lease management, insurance management, accounting and cash management services to Peregrine for a fee.

As of December 31, 2017, Peregrine had completed the acquisition of four of the 21 aircraft. The 17 remaining aircraft are expected to be acquired during early 2018.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

27. Variable interest entities (Continued)

We have determined that Peregrine is a VIE in which we do not have control and therefore we are not the PB. We account for our investment in Peregrine under the cost method of accounting.

Other variable interest entities

We have variable interests in other entities in which we have determined we are not the PB because we do not have the power to direct the activities that most significantly affect the entities' economic performance. Our variable interest in these entities consists of servicing fees that we receive for providing aircraft management services.

28. Related party transactions

AerDragon

We provide accounting related services to, and guaranteed debt of AerDragon. We charged AerDragon a fee for these services of $0.5 million, $0.6 million and $0.5 million during the years ended December 31, 2017, 2016 and 2015, respectively. In addition, we received a dividend of $3.3 million, $1.7 million and $0.3 million from AerDragon during the years ended December 31, 2017, 2016 and 2015, respectively.

ACSAL

We provide aircraft asset and lease management services to ACSAL, for which we received a fee of $0.5 million, $0.5 million and $0.5 million for the years ended December 31, 2017, 2016 and 2015, respectively. In addition, we received a dividend of $1.9 million, nil and nil from ACSAL during the years ended December 31, 2017, 2016 and 2015, respectively.

AerLift

We provide a variety of management services to, and guarantee certain debt of, AerLift, for which we received a fee of $1.8 million, $2.9 million and $2.8 million during the years ended December 31, 2017, 2016 and 2015, respectively. In addition, we received dividends of $3.0 million, $7.5 million and $2.3 million from AerLift during the years ended December 31, 2017, 2016 and 2015, respectively.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

29. Commitments and contingencies

Aircraft on order

As of December 31, 2017, we had commitments to purchase 438 new aircraft scheduled for delivery through 2024. These commitments are based upon purchase agreements with Boeing, Airbus and Embraer. These agreements establish the pricing formulas (including adjustments for certain contractual escalation provisions) and various other terms with respect to the purchase of aircraft. Under certain circumstances, we have the right to alter the mix of aircraft types ultimately acquired. As of December 31, 2017, we had made non-refundable deposits on these purchase commitments (exclusive of capitalized interest and fair value adjustments) of approximately $899.5 million, $718.0 million and $13.5 million with Boeing, Airbus and Embraer, respectively.

Management anticipates that a portion of the aggregate purchase price for the acquisition of aircraft will be funded by incurring additional debt. The amount of the indebtedness to be incurred will depend on the final purchase price of the aircraft, which can vary due to a number of factors, including inflation.

Movements in prepayments on flight equipment during the years ended December 31, 2017 and 2016 were as follows:

	Year Ended December 31,	
	2017	2016
Prepayments on flight equipment at beginning of period	$ 3,265,979	$ 3,300,426
Prepayments made during the period	1,162,884	837,776
Interest paid and capitalized during the period	107,364	107,688
Prepayments and capitalized interest applied to the purchase of flight equipment	(1,605,924)	(979,911)
Prepayments on flight equipment at end of period	**$ 2,930,303**	**$ 3,265,979**

The following table presents our contractual commitments for the purchase of flight equipment as of December 31, 2017:

	2018	2019	2020	2021	2022	Thereafter	Total
Purchase obligations (a)	$6,065,084	$5,723,097	$4,742,181	$3,714,523	$2,405,676	$1,662,286	$24,312,847

(a) Includes commitments to purchase 426 aircraft and 12 purchase and leaseback transactions.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

29. Commitments and contingencies (Continued)

Leases

We have operating lease agreements with third parties for office space, company cars and office equipment. As of December 31, 2017, minimum payments under the lease agreements for office space were as follows:

	Future minimum lease payments
2018	$ 10,211
2019	7,692
2020	7,593
2021	7,670
2022	7,750
Thereafter	44,388
	$ 85,304

Asset value guarantees

We have potential obligations under contracts that guarantee a portion of the residual value of aircraft owned by third parties. These guarantees expire at various dates through 2023 and generally obligate us to pay the shortfall between the fair market value and the guaranteed value of the aircraft and, in certain cases, provide us with an option to purchase the aircraft for the guaranteed value. During 2017, we settled one asset value guarantee and, as a result, we recognized a $3.2 million gain in other income. Additionally, one asset value guarantee was exercised and two asset value guarantees expired unexercised. As of December 31, 2017, four guarantees were outstanding.

We regularly review the underlying values of the aircraft collateral to determine our exposure under these asset value guarantees. We did not record any asset value guarantee loss provisions during the years ended December 31, 2017 or 2016.

As of December 31, 2017 and 2016, the carrying value of the asset value guarantee liability was nil and $37.5 million, respectively, and was included in accounts payable, accrued expenses and other liabilities in our Consolidated Balance Sheets. As of December 31, 2017, the maximum aggregate potential commitment that we were obligated to pay under these guarantees, without any offset for the projected value of the aircraft or other contractual features that may limit our exposure, was approximately $66.5 million.

Other guarantees

We previously guaranteed the future re-lease or extension rental rates and other costs of four sold aircraft, up to agreed maximum amounts for each aircraft. During 2017, all four of these guarantees were settled. As of December 31, 2017 and 2016, the carrying value of these guarantees was nil and $11.4 million, respectively, and was included in accounts payable, accrued expenses and other liabilities in our Consolidated Balance Sheets. Subsequent to the settlement, we have no further exposure to these guarantees.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

29. Commitments and contingencies (Continued)

We guarantee the replacement lease rental cash flows of sold aircraft, in the event of a default and lease termination by the current lessees, up to agreed maximum amounts for each aircraft. These guarantees expire in 2020. We are obligated to perform under these guarantees in the event of a default and lease termination by the current lessees, and if the contracted net replacement lease rental rates do not equal or exceed the rental amounts in the current lease contracts. During 2017, we settled one of these guarantees. As of December 31, 2017, two of these guarantees were outstanding. As of December 31, 2017 and 2016, the carrying value of these guarantees was $2.3 million and $2.9 million, respectively, and was included in accounts payable, accrued expenses and other liabilities in our Consolidated Balance Sheets. As of December 31, 2017, the maximum undiscounted aggregate future guarantee payments that we could be obligated to make under these guarantees, without offset for the projected net future re-lease or extension rates, were approximately $10.5 million.

Legal proceedings

General

In the ordinary course of our business, we are a party to various legal actions, which we believe are incidental to the operations of our business. The Company regularly reviews the possible outcome of such legal actions, and accrues for such legal actions at the time a loss is probable and the amount of the loss can be estimated. In addition, the Company also reviews indemnities and insurance coverage, where applicable. Based on information currently available, we believe the potential outcome of those cases where we are able to estimate reasonably possible losses, and our estimate of the reasonably possible losses exceeding amounts already recognized, on an aggregated basis, is immaterial to our Consolidated Financial Statements.

VASP litigation

We leased 13 aircraft and three spare engines to Viação Aerea de São Paulo ("VASP"), a Brazilian airline. In 1992, VASP defaulted on its lease obligations and we commenced litigation against VASP to repossess our equipment. In 1992, we obtained a preliminary injunction for the repossession and export of 13 aircraft and three spare engines from VASP. We repossessed and exported the aircraft and engines in 1992. VASP appealed this decision. In 1996, the Appellate Court of the State of São Paulo ("TJSP") ruled in favor of VASP on its appeal. We were instructed to return the aircraft and engines to VASP for lease under the terms of the original lease agreements. The Appellate Court also granted VASP the right to seek damages in lieu of the return of the aircraft and engines. Since 1996 we have defended this case in the Brazilian courts through various motions and appeals. On March 1, 2006, the Superior Tribunal of Justice (the "STJ") dismissed our then-pending appeal and on April 5, 2006, a special panel of the STJ confirmed this decision. On May 15, 2006 we filed an extraordinary appeal with the Federal Supreme Court. In September 2009 the Federal Supreme Court requested an opinion on our appeal from the office of the Attorney General. This opinion was provided in October 2009. The Attorney General recommended that AerCap's extraordinary appeal be accepted for trial and that the case be subject to a new judgment before the STJ. The Federal Supreme Court is not bound by the opinion of the Attorney General. While we have been advised that it would be normal practice to take such an opinion into consideration, there are no assurances that the Federal Supreme Court will rule in accordance with the Attorney General opinion or, if it did, what the outcome of the judgment of the STJ would be.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

29. Commitments and contingencies (Continued)

On February 23, 2006, VASP commenced a procedure to calculate its alleged damages and since then we, VASP and the court have appointed experts to assist the court in calculating damages. Our appointed expert has concluded that no damages were incurred. The VASP-appointed expert has concluded that substantial damages were incurred, and has claimed that such damages should reflect monetary adjustments and default interest for the passage of time. The court-appointed expert has also concluded that no damages were incurred. Different public prosecutors have issued conflicting opinions. The first public prosecutor had filed an opinion that supports the view of the VASP-appointed expert. In response to that opinion, the court-appointed expert reaffirmed his conclusion. A subsequently-appointed public prosecutor subsequently filed a new opinion that is less supportive of the VASP-appointed expert's opinion, but the original public prosecutor then issued a third opinion consistent with the first one. On October 30, 2017, the court decided that VASP had suffered no damages. VASP has certain rights of appeal and review of the decision. We believe, however, and we have been advised, that it is not probable that VASP will ultimately be able to recover damages from us even if VASP prevails on the issue of liability. The outcome of the legal process is, however, uncertain. The ultimate amount of damages, if any, payable to VASP cannot reasonably be estimated at this time. We continue to actively pursue all courses of action that may reasonably be available to us and intend to defend our position vigorously.

In July 2006, we brought a claim for damages against VASP in the English courts, seeking damages incurred by AerCap as a result of VASP's default under seven leases that were governed by English law. VASP filed applications challenging the jurisdiction of the English court, and sought to adjourn the jurisdictional challenge pending the sale of some of its assets in Brazil. We opposed this application and by an order dated March 6, 2008, the English court dismissed VASP's applications.

In September 2008, the bankruptcy court in Brazil ordered the bankruptcy of VASP. VASP appealed this decision. In December 2008, we filed with the English court an application for default judgment, seeking damages plus accrued interest pursuant to seven lease agreements. On March 16, 2009, we obtained a default judgment in which we were awarded approximately $40 million in damages plus accrued interest. We subsequently applied to the STJ for an order ratifying the English judgment, so that it might be submitted in the VASP bankruptcy. The STJ granted AerCap's application and entered an order ratifying the English judgment. Although VASP appealed that order, it is fully effective pending a resolution of VASP's appeal of the order ratifying the English judgment.

In addition to our claim in the English courts, AerCap has also brought actions against VASP in the Irish courts to recover damages incurred as a result of VASP's default under nine leases governed by Irish law. The Irish courts granted an order for service of process, and although VASP opposed service in Brazil, the STJ ruled that service of process had been properly completed. After some additional delay due to procedural issues related to VASP's bankruptcy, the Irish action went forward. Upon VASP's failure to appear, the High Court entered default judgment in favor of AerCap, finding VASP liable for breach of its obligations under the leases. On October 24, 2014, the High Court entered two judgments in favor of AerCap, awarding us aggregate damages in the amount of approximately $36.9 million. We subsequently applied to the STJ for an order ratifying the Irish judgments, so that they might be submitted in the VASP bankruptcy. The STJ granted AerCap's application and ratified the Irish judgments.

AerCap has submitted both the Irish and the English judgments in the VASP bankruptcy; the bankruptcy court has required that the claims submitted limit interest on the judgments to that accrued on or before the commencement of VASP's bankruptcy, which has resulted in claims of approximately $40 million for the English judgments and approximately $24 million for the Irish judgments.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

29. Commitments and contingencies (Continued)

On November 6, 2012, the STJ ruled in favor of VASP on its appeal from the order placing it in bankruptcy. Acting alone, the reporting justice of the appellate panel ordered the bankruptcy revoked and the matter converted to a judicial reorganization. Several creditors of VASP appealed that ruling to the full panel of the STJ. On December 17, 2012, the Special Court of the STJ reversed the ruling of the reporting justice and upheld the order placing VASP in bankruptcy. The decision was published on February 1, 2013. On February 25, 2013, the lapse of time for appeal (res judicata) was certified.

Transbrasil litigation

In the early 1990s, two AerCap-related companies (the "AerCap Lessors") leased an aircraft and two engines to Transbrasil S/A Linhas Areas ("Transbrasil"), a now-defunct Brazilian airline. By 1998, Transbrasil had defaulted on various obligations under its leases with AerCap, along with other leases it had entered into with GECC and certain of its affiliates (collectively with GECC, the "GE Lessors"). GECAS was the servicer for all these leases at the time. Subsequently, Transbrasil issued promissory notes (the "Notes") to the AerCap lessors and GE Lessors (collectively the "Lessors") in connection with restructurings of the leases. Transbrasil defaulted on the Notes and GECC brought an enforcement action on behalf of the Lessors in 2001. Concurrently, GECC filed an action for the involuntary bankruptcy of Transbrasil.

Transbrasil brought a lawsuit against the Lessors in February 2001 (the "Transbrasil Lawsuit"), claiming that the Notes had in fact been paid at the time GECC brought the enforcement action. In 2007, the trial judge ruled in favor of Transbrasil. That decision was appealed. In April 2010, the appellate court published a judgment (the "2010 Judgment") rejecting the Lessors' appeal, ordering them to pay Transbrasil statutory penalties equal to double the face amount of the Notes (plus interest and monetary adjustments) as well as damages for any losses incurred as a result of the attempts to collect on the Notes. The 2010 Judgment provided that the amount of such losses would be calculated in separate proceedings in the trial court (the "Indemnity Claim"). In June 2010, the AerCap Lessors and GE Lessors separately filed special appeals before the STJ in Brazil. These special appeals were subsequently admitted for hearing.

In July 2011, Transbrasil brought three actions for provisional enforcement of the 2010 Judgment (the "Provisional Enforcement Actions"): one to enforce the award of statutory penalties; a second to recover attorneys' fees related to that award, and a third to enforce the Indemnity Claim. Transbrasil submitted its alleged calculation of statutory penalties, which, according to Transbrasil, amounted to approximately $210 million in the aggregate against all defendants, including interest and monetary adjustments. AerCap and its co-defendants opposed provisional enforcement of the 2010 judgment, arguing, among other things, that Transbrasil's calculations were greatly exaggerated.

Transbrasil also initiated proceedings to determine the amount of its alleged Indemnity Claim. The court appointed an expert to determine the measure of damages and the defendants appointed an assistant expert. We believe we have strong arguments to convince the expert and the court that Transbrasil suffered no damage as a result of the defendants' attempts to collect on the Notes.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

29. Commitments and contingencies (Continued)

In February 2012, AerCap brought a civil complaint against GECAS and GECC in the State of New York (the "New York Action"), alleging, among other things, that GECAS and GECC had violated certain duties to AerCap in connection with their attempts to enforce the Notes and their defense of Transbrasil's lawsuit. In November 2012, AerCap, GECAS, and the GE Lessors entered into a settlement agreement resolving all of the claims raised in the New York Action. The terms of the settlement agreement are confidential.

In October 2013, the STJ granted the special appeals filed by GECAS and its related parties, effectively reversing the 2010 Judgment in most respects as to all of the Lessors.

In February 2014, Transbrasil appealed the STJ's ruling of October 2013 to another panel of the STJ. The appellate panel rejected Transbrasil's appeal in November 2016, preserving the October 2013 order. The parties have the right to seek further appellate review of the appellate panel's November 2016 order.

In light of the STJ's ruling of October 2013, the trial court has ordered the dismissal of two of Transbrasil's Provisional Enforcement Actions—those seeking statutory penalties and attorneys' fees. The TJSP has since affirmed the dismissals of those actions and Transbrasil has appealed that order. Transbrasil's Provisional Enforcement Action with respect to the Indemnity Claim remains pending; however, the action has currently been stayed pending a final decision in the Transbrasil Lawsuit.

Yemen Airways-Yemenia litigation

ILFC is named in a lawsuit in connection with the 2009 crash of an Airbus A310-300 aircraft owned by ILFC and on lease to Yemen Airways-Yemenia, a Yemeni carrier ("Hassanati Action"). The Hassanati plaintiffs are families of deceased occupants of the flight and seek unspecified damages for wrongful death, costs, and fees. The Hassanati Action commenced in January 2011 and was pending in the United States District Court for the Central District of California. On February 18, 2014, the district court granted summary judgment in ILFC's favor and dismissed all of the Hassanati plaintiffs' remaining claims. The Hassanati plaintiffs appealed. On March 22, 2016, the appellate court rejected the appeal. On April 22, 2016, the Hassanati plaintiffs refiled their action at the trial court. The trial court granted ILFC's motion to dismiss the Hassanati plaintiffs' second complaint on November 22, 2016. The Hassanati plaintiffs have appealed this order. On August 29, 2014, a new group of plaintiffs filed a lawsuit against ILFC in the United States District Court for the Central District of California (the "Abdallah Action"). The Abdallah Action claims unspecified damages from ILFC on the same theory as does the Hassanati Action. On June 30, 2017, the parties to the Abdallah action executed a Master Settlement Agreement setting forth terms on which Yemenia's insurance carrier proposes to settle the case with each claimant family. Upon the claimant families' execution of individual release and discharge agreements and upon ILFC's and Yemenia's confirmation of a sufficient number of participating claimants, the claims by such participating claimants against ILFC and Yemenia in the Abdallah Action will be dismissed in exchange for payment from Yemenia's insurance carrier. We believe that ILFC has substantial defenses on the merits and is adequately covered by available liability insurance in respect of both the Hassanati Action and the Abdallah Action.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

30. Fair value measurements

The Company determines fair value based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is our policy to maximize the use of observable inputs and minimize the use of unobservable inputs when developing fair value measurements, in accordance with the fair value hierarchy as described below. Where limited or no observable market data exists, fair value measurements for assets and liabilities are primarily based on management's own estimates and are calculated based upon the economic and competitive environment, the characteristics of the asset or liability and other such factors. Therefore, the results may not be realized in actual sale or immediate settlement of the asset or liability.

The degree of judgment used in measuring the fair value of a financial and non-financial asset or liability generally correlates with the level of pricing observability. We classify our fair value measurements based on the observability and significance of the inputs used in making the measurement, as provided below:

Level 1—Quoted prices available in active markets for identical assets or liabilities as of the reported date.

Level 2—Observable market data. Inputs include quoted prices for similar assets, liabilities (risk adjusted) and market-corroborated inputs, such as market comparables, interest rates, yield curves and other items that allow value to be determined.

Level 3—Unobservable inputs from our own assumptions about market risk developed based on the best information available, subject to cost benefit analysis. Inputs may include our own data.

Fair value measurements are classified in their entirety based on the lowest level of input that is significant to their fair value measurement.

Assets and liabilities measured at fair value on a recurring basis

As of December 31, 2017 and 2016, our derivative portfolio consisted of interest rate swaps and caps. The fair value of derivatives is based on dealer quotes for identical instruments. We have also considered the credit rating and risk of the counterparty of the derivative contract based on quantitative and qualitative factors. As such, the valuation of these instruments was classified as Level 2.

The following tables present our financial assets and liabilities that we measured at fair value on a recurring basis by level within the fair value hierarchy as of December 31, 2017 and 2016:

	December 31, 2017			
	Total	Level 1	Level 2	Level 3
Assets				
Derivative assets	$ 48,896	$ —	$ 48,896	$ —

	December 31, 2016			
	Total	Level 1	Level 2	Level 3
Assets				
Derivative assets	$ 37,187	$ —	$ 37,187	$ —

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

30. Fair value measurements (Continued)

Assets and liabilities measured at fair value on a non-recurring basis

We measure the fair value of certain definite-lived intangible assets and our flight equipment on a non-recurring basis, when U.S. GAAP requires the application of fair value, including when events or changes in circumstances indicate that the carrying amounts of the assets may not be recoverable.

Management develops the assumptions used in the fair value measurements. Therefore, the fair value measurements of definite-lived intangible assets and flight equipment are classified as Level 3 valuations.

Definite-lived intangible assets

We use the income approach to measure the fair value of definite-lived intangible assets, which is based on the present value of estimated future cash flows to be generated from the asset.

We impaired certain definite-lived intangible assets to fair value during the years ended December 31, 2016 and 2015 as the carrying value of these assets was not expected to be recoverable based on the revised cash flow estimates. Please refer to Note 25—*AeroTurbine restructuring* for further details.

Flight equipment

Inputs to non-recurring fair value measurements categorized as Level 3

We use the income approach to measure the fair value of flight equipment, which is based on the present value of estimated future cash flows. Key inputs to the estimated future cash flows for flight equipment include current contractual lease cash flows, projected future non-contractual lease or sale cash flows, extended to the end of the aircraft's estimated holding period in its highest and best use, and a contractual or estimated disposition value.

The current contractual lease cash flows are based on the in-force lease rates. The projected future non-contractual lease cash flows are estimated based on the aircraft type, age, and the airframe and engine configuration of the aircraft. The projected non-contractual lease cash flows are applied to follow-on lease terms, which are estimated based on the age of the aircraft at the time of re-lease and are assumed through the estimated holding period of the aircraft. The estimated holding period is the period over which future cash flows are assumed to be generated. Shorter holding periods can result when a potential sale or future part-out of an individual aircraft has been contracted for, or is likely. In instances of a potential sale or part-out, the holding period is based on the estimated sale or part-out date. The disposition value is generally estimated based on aircraft type. In situations where the aircraft will be disposed of, the disposition value assumed is based on an estimated part-out value or the contracted sale price.

The estimated future cash flows, as described above, are then discounted to present value. The discount rate used is based on the aircraft type and incorporates assumptions market participants would use regarding the market attractiveness of the aircraft type, the likely debt and equity financing components, and the required returns of those financing components.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

30. Fair value measurements (Continued)

For flight equipment that we measured at fair value on a non-recurring basis during the year ended December 31, 2017, the following table presents the fair value of such flight equipment as of the measurement date, the valuation technique and the related unobservable inputs:

	Fair value	Valuation technique	Unobservable input	Range	Weighted average
Flight equipment	$ 355,923	Income approach	Discount rate	0% - 10%	5%
			Remaining holding period	0 - 13 years	8 years
			Non-contractual cash flows	0% - 100%	38%

During the year ended December 31, 2017, we recognized impairment charges of $61.3 million on 13 aircraft and two engines. The impairment charges primarily related to lease terminations for six aircraft and one engine. These impairments were more than offset by lease revenue that we recognized when we retained maintenance-related balances or received EOL compensation. In addition, we recognized impairment charges for seven aircraft and one engine that were part of sale transactions. These impairments were partially offset by lease revenue that we recognized when we retained maintenance-related balances.

Sensitivity to changes in unobservable inputs

When estimating the fair value measurement of flight equipment, we consider the effect of a change in a particular assumption independently of changes in any other assumptions. In practice, simultaneous changes in assumptions may not always have a linear effect on inputs.

The significant unobservable inputs utilized in the fair value measurement of flight equipment are the discount rate, the remaining estimated holding period and the non-contractual cash flows. The discount rate is affected by movements in the aircraft funding markets, including fluctuations in required rates of return in debt and equity, and loan to value ratios. The remaining estimated holding period and non-contractual cash flows represent management's estimate of the remaining service period of an aircraft and the estimated non-contractual cash flows over the remaining life of the aircraft. An increase in the discount rate would decrease the fair value measurement of the aircraft, while an increase in the remaining estimated holding period or the estimated non-contractual cash flows would increase the fair value measurement of the aircraft.

Fair value disclosures of financial instruments

The fair value of restricted cash and cash and cash equivalents approximates their carrying value because of their short-term nature (Level 1). The fair value of notes receivables approximates its carrying value (Level 2). The fair value of our long-term unsecured debt is estimated using quoted market prices for similar or identical instruments, depending on the frequency and volume of activity in the market. The fair value of our long-term secured debt is estimated using a discounted cash flow analysis based on current market interest rates and spreads for debt with similar characteristics (Level 2). Derivatives are recognized in our Consolidated Balance Sheets at their fair value. The fair value of derivatives is based on dealer quotes for identical instruments. We have also considered the credit rating and risk of the counterparties of the derivative contracts based on quantitative and qualitative factors (Level 2). The fair value of guarantees is determined by reference to the fair market value or future lease cash flows of the underlying aircraft and the guaranteed amount (Level 3).

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

30. Fair value measurements (Continued)

The carrying amounts and fair values of our most significant financial instruments as of December 31, 2017 and 2016 were as follows:

	December 31, 2017				
	Carrying value	Fair value	Level 1	Level 2	Level 3
Assets					
Cash and cash equivalents	$ 1,659,669	$ 1,659,669	$ 1,659,669	$ —	$ —
Restricted cash	364,456	364,456	364,456	—	—
Derivative assets	48,896	48,896	—	48,896	—
Notes receivables	22,497	22,497	—	22,497	—
	$ 2,095,518	**$ 2,095,518**	**$ 2,024,125**	**$ 71,393**	**$ —**
Liabilities					
Debt	$ 28,580,800 (a)	$ 29,074,375	$ —	$ 29,074,375	$ —
Guarantees	2,272	2,272	—	—	2,272
	$ 28,583,072	**$ 29,076,647**	**$ —**	**$ 29,074,375**	**$ 2,272**

(a) Excludes debt issuance costs and debt discounts.

	December 31, 2016				
	Carrying value	Fair value	Level 1	Level 2	Level 3
Assets					
Cash and cash equivalents	$ 2,035,447	$ 2,035,447	$ 2,035,447	$ —	$ —
Restricted cash	329,180	329,180	329,180	—	—
Derivative assets	37,187	37,187	—	37,187	—
Notes receivables	23,359	23,359	—	23,359	—
	$ 2,425,173	**$ 2,425,173**	**$ 2,364,627**	**$ 60,546**	**$ —**
Liabilities					
Debt	$ 27,873,900 (a)	$ 28,203,635	$ —	$ 28,203,635	$ —
Guarantees	51,804	51,804	—	—	51,804
	$ 27,925,704	**$ 28,255,439**	**$ —**	**$ 28,203,635**	**$ 51,804**

(a) Excludes debt issuance costs and debt discounts.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

31. Supplemental guarantor financial information

The following supplemental financial information is presented to comply with Rule 3-10 of Regulation S-X.

AerCap Aviation Notes

In May 2012, AerCap Aviation Solutions B.V. ("AerCap Aviation Solutions"), a 100%-owned finance subsidiary of AerCap Holdings N.V. (the "Parent Guarantor"), issued $300.0 million of 6.375% senior unsecured notes due 2017 (the "AerCap Aviation Notes"). The AerCap Aviation Notes were fully and unconditionally guaranteed by the Parent Guarantor. In May 2017 we repaid the AerCap Aviation Notes in full.

AGAT/AICDC Notes

From time to time since the completion of the ILFC Transaction, AerCap Trust and AICDC have co-issued additional senior unsecured notes. The proceeds from these offerings have been used for general corporate purposes. Please refer to Note 15—*Debt* for further details on the AGAT/AICDC Notes.

The AGAT/AICDC Notes are jointly and severally and fully and unconditionally guaranteed by the Parent Guarantor and by AerCap Ireland Limited, AerCap Aviation Solutions, ILFC and AerCap U.S. Global Aviation LLC (together, the "Subsidiary Guarantors").

The following condensed consolidating financial information presents the Condensed Consolidating Balance Sheets as of December 31, 2017 and 2016, the Condensed Consolidating Income Statements, Condensed Consolidating Statements of Cash Flows and Condensed Consolidating Statements of Comprehensive Income for the years ended December 31, 2017, 2016 and 2015 of *(i)* the Parent Guarantor; *(ii)* AerCap Trust; *(iii)* AICDC; *(iv)* the Subsidiary Guarantors on a combined basis; *(v)* the non-guarantor subsidiaries on a combined basis; *(vi)* elimination entries necessary to consolidate the Parent Guarantor with AerCap Trust and AICDC, the Subsidiary Guarantors and the non-guarantor subsidiaries; and *(vii)* the Company on a consolidated basis. Investments in consolidated subsidiaries are presented under the equity method of accounting. A portion of our cash and cash equivalents is held by subsidiaries and access to such cash by us for group purposes is limited.

In accordance with Rule 3-10 of Regulation S-X, separate financial statements and other disclosures with respect to AerCap Trust, AICDC and the Subsidiary Guarantors have not been provided, as AerCap Trust, AICDC and the Subsidiary Guarantors are 100%-owned by the Parent Guarantor, all guarantees of the AGAT/AICDC Notes are joint and several and full and unconditional and the Parent Guarantor's financial statements have been filed in this annual report for the periods specified by Rules 3-01 and 3-02 of Regulation S-X.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

31. Supplemental guarantor financial information (Continued)

Condensed Consolidating Balance Sheet

	December 31, 2017						
	AerCap Holdings N.V.	AerCap Global Aviation Trust	AerCap Ireland Capital Designated Activity Company	Guarantors (a)	Non-Guarantors	Eliminations	Total
	(U.S. Dollars in millions)						
Assets							
Cash and cash equivalents	$ 21	$ 222	$ 14	$ 1,227	$ 176	$ —	$ 1,660
Restricted cash	—	—	—	10	354	—	364
Flight equipment held for operating leases, net	—	10,461	—	1,959	19,977	—	32,397
Maintenance rights intangible and lease premium, net	—	758	—	35	709	—	1,502
Flight equipment held for sale	—	168	—	—	463	—	631
Net investment in finance and sales-type leases	—	520	—	193	283	—	996
Prepayments on flight equipment	—	2,340	—	4	586	—	2,930
Investments including investments in subsidiaries	9,632	1,066	8,037	5,670	122	(24,405)	122
Intercompany receivables	128	14,495	80	9,989	5,281	(29,973)	—
Other assets	96	603	85	366	288	—	1,438
Total Assets	**$ 9,877**	**$ 30,633**	**$ 8,216**	**$ 19,453**	**$ 28,239**	**$ (54,378)**	**$ 42,040**
Liabilities and Equity							
Debt	$ —	$ 17,098	$ 398	$ 24	$ 10,901	$ —	$ 28,421
Intercompany payables	1,276	3,527	4,875	9,202	11,093	(29,973)	—
Other liabilities	22	1,950	—	471	2,537	—	4,980
Total liabilities	**1,298**	**22,575**	**5,273**	**9,697**	**24,531**	**(29,973)**	**33,401**
Total AerCap Holdings N.V. shareholder's equity	**8,579**	**8,058**	**2,943**	**9,684**	**3,721**	**(24,405)**	**8,580**
Non-controlling interest	—	—	—	72	(13)	—	59
Total Equity	**8,579**	**8,058**	**2,943**	**9,756**	**3,708**	**(24,405)**	**8,639**
Total Liabilities and Equity	**$ 9,877**	**$ 30,633**	**$ 8,216**	**$ 19,453**	**$ 28,239**	**$ (54,378)**	**$ 42,040**

(a) Guarantors consist of AerCap U.S. Global Aviation LLC, AerCap Aviation Solutions B.V., AerCap Ireland Ltd. and ILFC.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

31. Supplemental guarantor financial information (Continued)

Condensed Consolidating Balance Sheet

	December 31, 2016						
	AerCap Holdings N.V.	AerCap Global Aviation Trust	AerCap Ireland Capital Designated Activity Company	Guarantors (a)	Non-Guarantors	Eliminations	Total
	(U.S. Dollars in millions)						
Assets							
Cash and cash equivalents	$ 4	$ 829	$ 64	$ 931	$ 207	$ —	$ 2,035
Restricted cash	—	—	—	9	320	—	329
Flight equipment held for operating leases, net	—	11,012	—	1,299	19,191	—	31,502
Maintenance rights intangible and lease premium, net	—	1,190	—	52	926	—	2,168
Flight equipment held for sale	—	28	—	—	79	—	107
Net investment in finance and sales-type leases	—	437	—	166	154	—	757
Prepayments on flight equipment	—	3,006	—	5	255	—	3,266
Investments including investments in subsidiaries	9,310	874	7,249	4,941	119	(22,374)	119
Intercompany receivables	106	12,639	1	8,405	5,947	(27,098)	—
Other assets	104	538	60	632	171	(168)	1,337
Total Assets	**$ 9,524**	**$ 30,553**	**$ 7,374**	**$ 16,440**	**$ 27,369**	**$ (49,640)**	**$ 41,620**
Liabilities and Equity							
Debt	$ —	$ 17,316	$ —	$ 340	$ 10,061	$ —	$ 27,717
Intercompany payables	978	3,726	5,057	7,067	10,270	(27,098)	—
Other liabilities	22	2,241	11	448	2,767	(168)	5,321
Total liabilities	**1,000**	**23,283**	**5,068**	**7,855**	**23,098**	**(27,266)**	**33,038**
Total AerCap Holdings N.V. shareholder's equity	**8,524**	**7,270**	**2,306**	**8,509**	**4,289**	**(22,374)**	**8,524**
Non-controlling interest	—	—	—	76	(18)	—	58
Total Equity	**8,524**	**7,270**	**2,306**	**8,585**	**4,271**	**(22,374)**	**8,582**
Total Liabilities and Equity	**$ 9,524**	**$ 30,553**	**$ 7,374**	**$ 16,440**	**$ 27,369**	**$ (49,640)**	**$ 41,620**

(a) Guarantors consist of AerCap U.S. Global Aviation LLC, AerCap Aviation Solutions B.V., AerCap Ireland Ltd. and ILFC.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

31. Supplemental guarantor financial information (Continued)

Condensed Consolidating Income Statement

	Year Ended December 31, 2017						
	AerCap Holdings N.V.	AerCap Global Aviation Trust	AerCap Ireland Capital Designated Activity Company	Guarantors (a)	Non-Guarantors	Eliminations	Total
	(U.S. Dollars in millions)						
Revenues and other income							
Lease revenue	$ —	$ 1,671	$ —	$ 214	$ 2,829	$ —	$ 4,714
Net gain on sale of assets	—	113	—	20	96	—	229
Other income (loss)	49	672	4	577	409	(1,617)	94
Total Revenues and other income	**49**	**2,456**	**4**	**811**	**3,334**	**(1,617)**	**5,037**
Expenses							
Depreciation and amortization	—	630	—	87	1,010	—	1,727
Asset impairment	—	9	—	3	49	—	61
Interest expense	—	759	176	410	1,108	(1,341)	1,112
Leasing expenses	—	258	—	30	250	—	538
Transaction, integration and restructuring related expenses	—	—	—	—	15	—	15
Selling, general and administrative expenses	97	105	—	135	287	(276)	348
Total Expenses	**97**	**1,761**	**176**	**665**	**2,719**	**(1,617)**	**3,801**
(Loss) income before income taxes and income of investments accounted for under the equity method	**(48)**	**695**	**(172)**	**146**	**615**	**—**	**1,236**
Provision for income taxes	6	(87)	21	(33)	(72)	—	(165)
Equity in net earnings of investments accounted for under the equity method	—	—	—	—	9	—	9
Net (loss) income before income from subsidiaries	**(42)**	**608**	**(151)**	**113**	**552**	**—**	**1,080**
Income (loss) from subsidiaries	1,118	167	774	831	(901)	(1,989)	—
Net income (loss)	**$ 1,076**	**$ 775**	**$ 623**	**$ 944**	**$ (349)**	**$ (1,989)**	**$ 1,080**
Net income attributable to non-controlling interest	—	—	—	—	(4)	—	(4)
Net income (loss) attributable to AerCap Holdings N.V.	**$ 1,076**	**$ 775**	**$ 623**	**$ 944**	**$ (353)**	**$ (1,989)**	**$ 1,076**

(a) Guarantors consist of AerCap U.S. Global Aviation LLC, AerCap Aviation Solutions B.V., AerCap Ireland Ltd. and ILFC.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

31. Supplemental guarantor financial information (Continued)

Condensed Consolidating Income Statement

	Year Ended December 31, 2016						
	AerCap Holdings N.V.	AerCap Global Aviation Trust	AerCap Ireland Capital Designated Activity Company	Guarantors (a)	Non-Guarantors	Eliminations	Total
	(U.S. Dollars in millions)						
Revenues and other income							
Lease revenue	$ —	$ 2,058	$ —	$ 205	$ 2,605	$ —	$ 4,868
Net gain on sale of assets	—	33	—	6	100	—	139
Other income (loss)	6	653	—	552	359	(1,425)	145
Total Revenues and other income	**6**	**2,744**	**—**	**763**	**3,064**	**(1,425)**	**5,152**
Expenses							
Depreciation and amortization	—	770	—	72	949	—	1,791
Asset impairment	—	32	—	—	50	—	82
Interest expense	—	753	184	385	955	(1,185)	1,092
Leasing expenses	—	290	—	27	266	—	583
Transaction, integration and restructuring related expenses	—	—	—	—	53	—	53
Selling, general and administrative expenses	60	120	1	102	308	(240)	351
Total Expenses	**60**	**1,965**	**185**	**586**	**2,581**	**(1,425)**	**3,952**
(Loss) income before income taxes and income of investments accounted for under the equity method	**(54)**	**779**	**(185)**	**177**	**483**	**—**	**1,200**
Provision for income taxes	7	(97)	23	(36)	(70)	—	(173)
Equity in net earnings of investments accounted for under the equity method	—	—	—	—	13	—	13
Net (loss) income before income from subsidiaries	**(47)**	**682**	**(162)**	**141**	**426**	**—**	**1,040**
Income (loss) from subsidiaries	1,094	237	919	701	(867)	(2,084)	—
Net income (loss)	**$ 1,047**	**$ 919**	**$ 757**	**$ 842**	**$ (441)**	**$ (2,084)**	**$ 1,040**
Net loss attributable to non-controlling interest	—	—	—	—	7	—	7
Net income (loss) attributable to AerCap Holdings N.V.	**$ 1,047**	**$ 919**	**$ 757**	**$ 842**	**$ (434)**	**$ (2,084)**	**$ 1,047**

(a) Guarantors consist of AerCap U.S. Global Aviation LLC, AerCap Aviation Solutions B.V., AerCap Ireland Ltd. and ILFC.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

31. Supplemental guarantor financial information (Continued)

Condensed Consolidating Income Statement

	Year Ended December 31, 2015						
	AerCap Holdings N.V.	AerCap Global Aviation Trust	AerCap Ireland Capital Designated Activity Company	Guarantors (a)	Non-Guarantors	Eliminations	Total
	(U.S. Dollars in millions)						
Revenues and other income							
Lease revenue	$ —	$ 2,355	$ —	$ 134	$ 2,503	$ —	$ 4,992
Net gain on sale of assets	—	168	—	13	2	—	183
Other income (loss)	9	599	14	479	319	(1,307)	113
Total Revenues and other income	**9**	**3,122**	**14**	**626**	**2,824**	**(1,307)**	**5,288**
Expenses							
Depreciation and amortization	—	868	—	65	910	—	1,843
Asset impairment	—	3	—	—	13	—	16
Interest expense	12	780	164	359	735	(950)	1,100
Leasing expenses	—	266	—	61	195	—	522
Transaction, integration and restructuring related expenses	—	—	—	9	50	—	59
Selling, general and administrative expenses	108	112	—	257	262	(357)	382
Total Expenses	**120**	**2,029**	**164**	**751**	**2,165**	**(1,307)**	**3,922**
(Loss) income before income taxes and income of investments accounted for under the equity method	**(111)**	**1,093**	**(150)**	**(125)**	**659**	**—**	**1,366**
Provision for income taxes	28	(136)	19	38	(139)	—	(190)
Equity in net earnings of investments accounted for under the equity method	—	—	—	—	1	—	1
Net (loss) income before income from subsidiaries	**(83)**	**957**	**(131)**	**(87)**	**521**	**—**	**1,177**
Income (loss) from subsidiaries	1,262	104	1,060	933	(1,090)	(2,269)	—
Net income (loss)	**$ 1,179**	**$ 1,061**	**$ 929**	**$ 846**	**$ (569)**	**$ (2,269)**	**$ 1,177**
Net loss attributable to non-controlling interest	—	—	—	—	2	—	2
Net income (loss) attributable to AerCap Holdings N.V.	**$ 1,179**	**$ 1,061**	**$ 929**	**$ 846**	**$ (567)**	**$ (2,269)**	**$ 1,179**

(a) Guarantors consist of AerCap U.S. Global Aviation LLC, AerCap Aviation Solutions B.V., AerCap Ireland Ltd. and ILFC.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

31. Supplemental guarantor financial information (Continued)

Condensed Consolidating Statement of Cash Flows

	Year Ended December 31, 2017						
	AerCap Holdings N.V.	AerCap Global Aviation Trust	AerCap Ireland Capital Designated Activity Company	Guarantors (a)	Non-Guarantors	Eliminations	Total
	(U.S. Dollars in millions)						
Net income (loss)	$ 1,076	$ 775	$ 623	$ 944	$ (349)	$ (1,989)	$ 1,080
Adjustments to reconcile net income (loss) to net cash provided by operating activities:							
(Income) loss from subsidiaries	(1,118)	(167)	(774)	(831)	901	1,989	—
Depreciation and amortization	—	630	—	87	1,010	—	1,727
Asset impairment	—	9	—	3	49	—	61
Amortization of debt issuance costs and debt discount	—	14	5	5	41	—	65
Amortization of lease premium intangibles	—	4	—	—	10	—	14
Amortization of fair value adjustments on debt	—	(192)	—	—	(3)	—	(195)
Accretion of fair value adjustments on deposits and maintenance liabilities	—	16	—	1	14	—	31
Maintenance rights write-off	—	282	—	13	245	—	540
Maintenance liability release to income	—	(100)	—	(23)	(179)	—	(302)
Net gain on sale of assets	—	(113)	—	(20)	(96)	—	(229)
Deferred income taxes	(7)	87	(19)	35	61	—	157
Restructuring related expenses	—	—	—	—	5	—	5
Other	62	9	—	45	5	—	121
Cash flow from operating activities before changes in working capital	**13**	**1,254**	**(165)**	**259**	**1,714**	**—**	**3,075**
Working capital	1,143	(163)	(272)	693	(1,336)	—	65
Net cash provided by (used in) operating activities	**1,156**	**1,091**	**(437)**	**952**	**378**	**—**	**3,140**
Purchase of flight equipment	—	(1,685)	—	(549)	(1,723)	—	(3,957)
Proceeds from sale or disposal of assets	—	893	—	137	749	—	1,779
Prepayments on flight equipment	—	(936)	—	—	(332)	—	(1,268)
Collections of finance and sales-type leases	—	49	—	33	10	—	92
Movement in restricted cash	—	—	—	(1)	(34)	—	(35)
Other	—	(36)	—	—	(2)	—	(38)
Net cash used in investing activities	**—**	**(1,715)**	**—**	**(380)**	**(1,332)**	**—**	**(3,427)**
Issuance of debt	—	2,431	400	—	2,765	—	5,596
Repayment of debt	—	(2,400)	—	(317)	(1,978)	—	(4,695)
Debt issuance costs paid	—	(28)	(13)	(3)	(37)	—	(81)
Maintenance payments received	—	251	—	65	440	—	756
Maintenance payments returned	—	(216)	—	(40)	(267)	—	(523)
Security deposits received	—	58	—	30	98	—	186
Security deposits returned	—	(79)	—	(11)	(98)	—	(188)
Repurchase of shares and tax withholdings on share-based compensation	(1,139)	—	—	—	—	—	(1,139)
Net cash (used in) provided by financing activities	**(1,139)**	**17**	**387**	**(276)**	**923**	**—**	**(88)**
Net increase (decrease) in cash and cash equivalents	17	(607)	(50)	296	(31)	—	(375)
Cash and cash equivalents at beginning of period	4	829	64	931	207	—	2,035
Cash and cash equivalents at end of period	**$ 21**	**$ 222**	**$ 14**	**$ 1,227**	**$ 176**	**$ —**	**$ 1,660**

(a) Guarantors consist of AerCap U.S. Global Aviation LLC, AerCap Aviation Solutions B.V., AerCap Ireland Ltd. and ILFC.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

31. Supplemental guarantor financial information (Continued)

Condensed Consolidating Statement of Cash Flows

	Year Ended December 31, 2016						
	AerCap Holdings N.V.	AerCap Global Aviation Trust	AerCap Ireland Capital Designated Activity Company	Guarantors (a)	Non-Guarantors	Eliminations	Total
	(U.S. Dollars in millions)						
Net income (loss)	$ 1,047	$ 919	$ 757	$ 842	$ (441)	$ (2,084)	$ 1,040
Adjustments to reconcile net income (loss) to net cash provided by operating activities:							
(Income) loss from subsidiaries	(1,094)	(237)	(919)	(701)	867	2,084	—
Depreciation and amortization	—	770	—	72	949	—	1,791
Asset impairment	—	32	—	—	50	—	82
Amortization of debt issuance costs and debt discount	—	13	5	4	34	—	56
Amortization of lease premium intangibles	—	7	—	—	13	—	20
Amortization of fair value adjustments on debt	—	(330)	—	—	(6)	—	(336)
Accretion of fair value adjustments on deposits and maintenance liabilities	—	33	—	2	20	—	55
Maintenance rights write-off	—	395	—	22	235	—	652
Maintenance liability release to income	—	(206)	—	(19)	(196)	—	(421)
Net gain on sale of assets	—	(33)	—	(6)	(100)	—	(139)
Deferred income taxes	(7)	98	(22)	28	64	—	161
Restructuring related expenses	—	—	—	—	34	—	34
Other	63	13	—	(7)	53	—	122
Cash flow from operating activities before changes in working capital	**9**	**1,474**	**(179)**	**237**	**1,576**	**—**	**3,117**
Working capital	1,002	911	181	(545)	(1,285)	—	264
Net cash provided by (used in) operating activities	**1,011**	**2,385**	**2**	**(308)**	**291**	**—**	**3,381**
Purchase of flight equipment	—	(594)	—	(298)	(2,001)	—	(2,893)
Proceeds from sale or disposal of assets	—	998	—	158	1,211	—	2,367
Prepayments on flight equipment	—	(937)	—	(9)	(1)	—	(947)
Collections of finance and sales-type leases	—	26	—	22	26	—	74
Movement in restricted cash	—	—	—	9	81	—	90
Other	—	—	—	(22)	—	—	(22)
Net cash used in investing activities	**—**	**(507)**	**—**	**(140)**	**(684)**	**—**	**(1,331)**
Issuance of debt	—	1,012	35	—	2,595	—	3,642
Repayment of debt	—	(2,825)	(35)	(8)	(2,346)	—	(5,214)
Debt issuance costs paid	—	(9)	—	(2)	(24)	—	(35)
Maintenance payments received	—	292	—	39	465	—	796
Maintenance payments returned	—	(234)	—	(30)	(241)	—	(505)
Security deposits received	—	57	—	25	120	—	202
Security deposits returned	—	(111)	—	(10)	(150)	—	(271)
Dividend paid to non-controlling interest holders	—	—	—	—	(11)	—	(11)
Repurchase of shares and tax withholdings on share-based compensation	(1,021)	—	—	—	—	—	(1,021)
Net cash (used in) provided by financing activities	**(1,021)**	**(1,818)**	**—**	**14**	**408**	**—**	**(2,417)**
Net (decrease) increase in cash and cash equivalents	(10)	60	2	(434)	15	—	(367)
Effect of exchange rate changes	—	—	—	(1)	—	—	(1)
Cash and cash equivalents at beginning of period	14	769	62	1,366	192	—	2,403
Cash and cash equivalents at end of period	**$ 4**	**$ 829**	**$ 64**	**$ 931**	**$ 207**	**$ —**	**$ 2,035**

(a) Guarantors consist of AerCap U.S. Global Aviation LLC, AerCap Aviation Solutions B.V., AerCap Ireland Ltd. and ILFC.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

31. Supplemental guarantor financial information (Continued)

Condensed Consolidating Statement of Cash Flows

	Year Ended December 31, 2015						
	AerCap Holdings N.V.	AerCap Global Aviation Trust	AerCap Ireland Capital Designated Activity Company	Guarantors (a)	Non-Guarantors	Eliminations	Total
	(U.S. Dollars in millions)						
Net income (loss)	$ 1,179	$ 1,061	$ 929	$ 846	$ (569)	$ (2,269)	$ 1,177
Adjustments to reconcile net income (loss) to net cash provided by operating activities:							
(Income) loss from subsidiaries	(1,262)	(104)	(1,060)	(933)	1,090	2,269	—
Depreciation and amortization	—	868	—	65	910	—	1,843
Asset impairment	—	3	—	—	13	—	16
Amortization of debt issuance costs and debt discount	1	10	5	10	20	—	46
Amortization of lease premium intangibles	—	7	—	—	16	—	23
Amortization of fair value adjustments on debt	—	(435)	—	—	(8)	—	(443)
Accretion of fair value adjustments on deposits and maintenance liabilities	—	65	—	1	10	—	76
Maintenance rights write-off	—	350	—	17	262	—	629
Maintenance liability release to income	—	(141)	—	(8)	(95)	—	(244)
Net gain on sale of assets	—	(168)	—	(13)	(2)	—	(183)
Deferred income taxes	(28)	136	(19)	(38)	59	—	110
Restructuring related expenses	—	—	—	—	49	—	49
Other	64	(36)	—	34	28	—	90
Cash flow from operating activities before changes in working capital	**(46)**	**1,616**	**(145)**	**(19)**	**1,783**	**—**	**3,189**
Working capital	846	(587)	193	618	(899)	—	171
Net cash provided by operating activities	**800**	**1,029**	**48**	**599**	**884**	**—**	**3,360**
Purchase of flight equipment	—	(1,476)	—	(299)	(997)	—	(2,772)
Proceeds from sale or disposal of assets	—	1,083	—	94	391	—	1,568
Prepayments on flight equipment	—	(585)	—	—	(207)	—	(792)
Collections of finance and sales-type leases	—	17	—	12	26	—	55
Movement in restricted cash	—	—	—	(11)	309	—	298
Other	—	(73)	—	—	—	—	(73)
Net cash used in investing activities	**—**	**(1,034)**	**—**	**(204)**	**(478)**	**—**	**(1,716)**
Issuance of debt	300	2,500	—	—	1,114	—	3,914
Repayment of debt	(300)	(2,010)	—	(8)	(1,726)	—	(4,044)
Debt issuance costs paid	—	(17)	—	—	(32)	—	(49)
Maintenance payments received	—	306	—	24	446	—	776
Maintenance payments returned	—	(244)	—	(20)	(294)	—	(558)
Security deposits received	—	97	—	25	49	—	171
Security deposits returned	—	(83)	—	(47)	(14)	—	(144)
Repurchase of shares and tax withholdings on share-based compensation	(794)	—	—	—	—	—	(794)
Net cash (used in) provided by financing activities	**(794)**	**549**	**—**	**(26)**	**(457)**	**—**	**(728)**
Net increase (decrease) in cash and cash equivalents	6	544	48	369	(51)	—	916
Effect of exchange rate changes	1	—	—	(9)	5	—	(3)
Cash and cash equivalents at beginning of period	7	225	14	1,006	238	—	1,490
Cash and cash equivalents at end of period	**$ 14**	**$ 769**	**$ 62**	**$ 1,366**	**$ 192**	**$ —**	**$ 2,403**

(a) Guarantors consist of AerCap U.S. Global Aviation LLC, AerCap Aviation Solutions B.V., AerCap Ireland Ltd. and ILFC.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

31. Supplemental guarantor financial information (Continued)

Condensed Consolidating Statement of Comprehensive Income

	Year Ended December 31, 2017						
	AerCap Holdings N.V.	AerCap Global Aviation Trust	AerCap Ireland Capital Designated Activity Company	Guarantors (a)	Non-Guarantors	Eliminations	Total
	(U.S. Dollars in millions)						
Net income (loss)	**$ 1,076**	**$ 775**	**$ 623**	**$ 944**	**$ (349)**	**$ (1,989)**	**$ 1,080**
Other comprehensive income:							
Net change in fair value of derivatives, net of tax	—	—	—	13	2	—	15
Actuarial gain on pension obligations, net of tax	—	—	—	—	1	—	1
Total other comprehensive income	—	—	—	13	3	—	16
Comprehensive income (loss)	**1,076**	**775**	**623**	**957**	**(346)**	**(1,989)**	**1,096**
Comprehensive income attributable to non-controlling interest	—	—	—	—	(4)	—	(4)
Total comprehensive income (loss) attributable to AerCap Holdings N.V.	**$ 1,076**	**$ 775**	**$ 623**	**$ 957**	**$ (350)**	**$ (1,989)**	**$ 1,092**

(a) Guarantors consist of AerCap U.S. Global Aviation LLC, AerCap Aviation Solutions B.V., AerCap Ireland Ltd. and ILFC.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

31. Supplemental guarantor financial information (Continued)

Condensed Consolidating Statement of Comprehensive Income

	Year Ended December 31, 2016						
	AerCap Holdings N.V.	AerCap Global Aviation Trust	AerCap Ireland Capital Designated Activity Company	Guarantors (a)	Non-Guarantors	Eliminations	Total
	(U.S. Dollars in millions)						
Net income (loss)	**$ 1,047**	**$ 919**	**$ 757**	**$ 842**	**$ (441)**	**$ (2,084)**	**$ 1,040**
Other comprehensive (loss) income:							
Net change in fair value of derivatives, net of tax	—	—	—	—	6	—	6
Actuarial loss on pension obligations, net of tax	—	—	—	(2)	—	—	(2)
Total other comprehensive (loss) income	—	—	—	(2)	6	—	4
Comprehensive income (loss)	**1,047**	**919**	**757**	**840**	**(435)**	**(2,084)**	**1,044**
Comprehensive loss attributable to non-controlling interest	—	—	—	—	7	—	7
Total comprehensive income (loss) attributable to AerCap Holdings N.V.	**$ 1,047**	**$ 919**	**$ 757**	**$ 840**	**$ (428)**	**$ (2,084)**	**$ 1,051**

(a) Guarantors consist of AerCap U.S. Global Aviation LLC, AerCap Aviation Solutions B.V., AerCap Ireland Ltd. and ILFC.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

31. Supplemental guarantor financial information (Continued)

Condensed Consolidating Statement of Comprehensive Income

	Year Ended December 31, 2015						
	AerCap Holdings N.V.	AerCap Global Aviation Trust	AerCap Ireland Capital Designated Activity Company	Guarantors (a)	Non-Guarantors	Eliminations	Total
	(U.S. Dollars in millions)						
Net income (loss)	**$ 1,179**	**$ 1,061**	**$ 929**	**$ 846**	**$ (569)**	**$ (2,269)**	**$ 1,177**
Other comprehensive income:							
Net change in fair value of derivatives, net of tax	—	—	—	—	—	—	—
Actuarial loss on pension obligations, net of tax	—	—	—	—	—	—	—
Total other comprehensive income	—	—	—	—	—	—	—
Comprehensive income (loss)	**1,179**	**1,061**	**929**	**846**	**(569)**	**(2,269)**	**1,177**
Comprehensive loss attributable to non-controlling interest	—	—	—	—	2	—	2
Total comprehensive income (loss) attributable to AerCap Holdings N.V.	**$ 1,179**	**$ 1,061**	**$ 929**	**$ 846**	**$ (567)**	**$ (2,269)**	**$ 1,179**

(a) Guarantors consist of AerCap U.S. Global Aviation LLC, AerCap Aviation Solutions B.V., AerCap Ireland Ltd. and ILFC.

AerCap Holdings N.V. and Subsidiaries

Notes to the Consolidated Financial Statements (Continued)

(U.S. Dollars in thousands or as otherwise stated, except share and per share data)

32. Subsequent events

In January 2018, AerCap Trust and AICDC co-issued $600 million aggregate principal amount of 3.30% senior notes due 2023 and $550 million aggregate principal amount of 3.875% senior notes due 2028. The proceeds from the offering were used for general corporate purposes.

In February 2018, our Board of Directors approved a share repurchase program authorizing total repurchases of up to $200 million of AerCap ordinary shares through June 30, 2018. As of March 2, 2018, the dollar amount remaining under this share repurchase program was $145.7 million. Repurchases under the program may be made through open market purchases or privately negotiated transactions in accordance with applicable U.S. federal securities laws. The timing of repurchases and the exact number of common shares to be purchased will be determined by the Company's management, in its discretion, and will depend upon market conditions and other factors. The program will be funded using the Company's cash on hand and cash generated from operations. The program may be suspended or discontinued at any time.

Exhibit 1.1

CONTINUOUS TEXT of the articles of association of **AerCap Holdings N.V.**, with corporate seat in Amsterdam, after partial amendment to the articles of association, by deed executed before W.H. Bossenbroek, civil law notary in Amsterdam, on 12 May 2016.

Trade Registry number 34251954.

This is a translation into English of the original Dutch text. An attempt has been made to be as literal as possible without jeopardizing the overall continuity. Inevitably, differences may occur in translation, and if so the Dutch text will by law govern.

ARTICLES OF ASSOCIATION

NAME AND SEAT

Article 1

1.1 The name of the Company is: **AerCap Holdings N.V.**

1.2 The Company is established in Amsterdam.

OBJECTS

Article 2

The objects of the Company are:

a. to enter into financial engagements, particularly into financial and operational lease agreements, with respect to airplanes and helicopters, airplane and helicopter engines, (spare) components of airplanes and helicopters, as well as related technical equipments and other technical equipment as the Company deems fit;

b. to enter into service agreements which support the before mentioned engagements;

c. to acquire, exploit and sell the before mentioned objects;

d. to participate in, to finance, to collaborate with, to conduct the management of and provide advice and other services to legal persons and other enterprises with the same or similar objects;

e. to acquire, use and/or assign industrial and intellectual property rights;

f. to provide security for the debts of legal persons or of any other Company;

g. to do anything which is, in the widest sense of the word, connected with or may be conducive to the attainment of these objects.

SHARE CAPITAL

Article 3

The authorised share capital of the Company is three million five hundred thousand euros (EUR 3,500,000), divided into three hundred and fifty million (350,000,000) ordinary shares, each having a nominal value of one eurocent (EUR 0.01).

ISSUANCE OF SHARES AND PAYMENT ON SHARES

Article 4

4.1 Upon a proposal of the Board of Directors containing the price and further terms and conditions of issue, the general meeting of shareholders shall have the power to resolve upon the issuance of shares and, with due observance of the proposal of the Board of Directors, to determine the price and further terms and conditions of such share issuance. The general meeting of shareholders may designate the Board of Directors as the authorized corporate body for this purpose. A designation as referred to above shall only be valid for a specific period of no more than five years and may from time to time be extended with a period of not more than five years. Unless the designation provides otherwise, it may not be withdrawn. The designation shall specify the number of shares which may be issued.

4.2 As long as and to the extent that the Board of Directors is authorized to resolve upon the issuance of shares pursuant to paragraph 1 hereof, the general meeting of shareholders cannot pass resolutions to issue shares.

4.3 Without prejudice to what has been provided in article 2:80 paragraph 2 of the Dutch Civil Code, shares shall at no time be issued below par. Shares must be fully paid up upon issuance.

4.4 Payment must be made in cash to the extent that no other contribution has been agreed upon. If the Company so agrees, payment in cash can be made in a currency other than euro. In the event of payment in a foreign currency the obligation to pay is fulfilled to the extent of the amount for which the payment is freely convertible into euro, the decisive factor being the rate of exchange on the day of payment, or, as the case may be, after application of the next sentence, on the day mentioned therein. The Company may require payment at the rate of exchange on a certain day within two months prior to the ultimate day on which payment must be made, provided the shares shall immediately upon their issuance be admitted to a listing at a stock exchange outside of the Netherlands.

4.5 The provisions of this article 4 shall equally apply to the granting of rights to subscribe for shares, but shall not apply to the issuance of shares to a person who exercises a previously acquired right to subscribe for shares. The Board of Directors shall be authorized to issue such shares.

4.6 The Company is authorized to cooperate in the issuance of depository receipts for shares.

4.7 The Board of Directors will be authorized to perform the legal acts as referred to in article 2:94 of the Dutch Civil Code without the prior approval of the general meeting of shareholders.

PRE-EMPTIVE RIGHTS

Article 5

5.1 In the event of an issuance of shares, each shareholder shall have a pre-emptive right pro rata to the number of shares held by each such shareholder.

5.2 Should a shareholder who is entitled to a pre-emptive right not or not fully

exercise such right, the other shareholders shall be similarly entitled to pre-emption rights in respect of those shares which have not been claimed. If the latter collectively do not or do not fully exercise their pre-emptive rights either, then the authorized corporate body will be free to decide to whom the shares which have not been claimed shall be issued.

In respect of the issuance of shares there shall be no pre-emptive right to shares issued against a contribution other than in cash or issued to employees of the Company or of a group company.

5.3 The general meeting of shareholders will have the power to limit or exclude the pre-emptive rights. The pre-emptive right may also be limited or excluded by the Board of Directors designated pursuant to article 4 paragraph 1 of these articles, if, by a resolution of the general meeting of shareholders, it was designated and authorised for a specified period, not exceeding five years, to limit or exclude such pre-emptive right. The designation may be extended, from time to time, for a period not exceeding five years. Unless the designation provides otherwise, it may not be withdrawn.

5.4 As long as the Board of Directors is authorized to limit or exclude the pre-emptive rights pursuant to paragraph 3 hereof, the general meeting of shareholders cannot pass such resolutions.

5.5 A resolution by the general meeting of shareholders to limit or exclude the pre-emptive rights or to designate the Board of Directors as the authorized corporate body for this purpose in accordance with paragraph 3 hereof requires, in order to be validly adopted, a majority of at least two-thirds of the votes cast in a meeting of shareholders if less than half of the issued share capital is present or represented at such meeting.

5.6 The Company shall announce any issuance of shares with pre-emptive rights in the Staatscourant (Gazette) and in a national daily newspaper, and the period of time within which such pre-emptive right can be exercised.

Such pre-emptive right can be executed during at least two weeks after the day of notice in the Staatscourant (Gazette).

ACQUISITION BY THE COMPANY OF ITS SHARES

Article 6

6.1 The Company may acquire shares in its own share capital for valuable consideration if and in so far as:

a. its shareholders' equity less the purchase price to be paid by the Company for such shares is not less than the aggregate amount of the paid up and called for part of the issued share capital and the reserves which must be maintained pursuant to the law or these articles of association;

b. the aggregate par value of the shares in its share capital which the Company acquires, (already) holds or on which it holds a right of pledge (pand), or which are held by a subsidiary of the Company, amounts to no

more than such part of the aggregate par value of the issued share capital set by law from time to time; and

c. the general meeting of shareholders has authorized the Board of Directors to acquire such shares, which authorization shall be valid for no more than eighteen months on each occasion,

notwithstanding any further applicable statutory provisions and the provisions of these articles of association.

6.2 Shares thus acquired may again be disposed of by the Company. If depository receipts for shares in the share capital of the Company have been issued, such depository receipts shall for the application of the provisions of this paragraph and paragraph 1 hereof be treated as shares.

6.3 In the general meeting of shareholders no votes may be cast in respect of:

a. share(s) held by the Company or by a subsidiary of the Company;

b. share(s), depository receipts of which are held by the Company or by a subsidiary of the Company; and

c. share(s) on which the Company or a subsidiary of the Company holds a right of usufruct or a right of pledge.

However, the holders of a right of usufruct and the holders of a right of pledge on shares held by the Company or by a subsidiary of the Company are nonetheless not excluded from the right to vote such shares, if the right of usufruct or the right of pledge was granted prior to the time such share was acquired by the Company or by a subsidiary of the Company.

Shares in respect of which voting rights may not be exercised shall not be taken into account when determining to what extent the shareholders have cast their votes, to what extent they are present or represented at the general meeting of shareholders or to what extent the share capital is provided or represented.

REDUCTION OF SHARE CAPITAL

Article 7

7.1 The general meeting of shareholders may resolve to reduce the issued share capital of the Company by cancelling shares or by reducing the par value of shares by an amendment to the articles of association, provided that the amount of the issued share capital does not fall below the minimum share capital as required by law in effect at the time of the resolution.

A resolution of the general meeting of shareholders shall require a two-thirds majority vote if less than half of the issued share capital is present or represented at such meeting.

7.2 Cancellation of shares may apply to shares which are held by the Company itself or to shares for which the Company holds depository receipts (beneficial rights).

Partial repayment on shares shall be made on all shares.

7.3 Reduction of the par value of shares without repayment or partial repayment on shares shall be effected pro rata to all shares. The pro rata requirements may be

waived by agreement of all shareholders concerned.

7.4 The notice of a general meeting of shareholders at which a resolution referred to in this article is to be adopted shall include the purpose of the reduction of the issued share capital and the manner in which such reduction shall be effectuated. The resolution to reduce the issued share capital shall specify the shares to which the resolution applies and shall describe how such a resolution shall be implemented.

7.5 The Company shall file a resolution to reduce the issued share capital with the trade register and shall publish such filing in a national daily newspaper.

7.6 Within two months after publication of the filing referred to above in paragraph 5 hereof, any creditor may oppose the resolution to reduce the issued share capital of the Company.

7.7 A resolution to reduce the issued share capital shall not take effect as long as opposition may be instituted. If opposition has been instituted within the two month period, the resolution shall take effect upon the withdrawal of the opposition or upon a court order setting aside the opposition.

SHARES AND SHARE CERTIFICATES

Article 8

8.1 The shares shall be in registered form.

8.2 A shareholder may request the Company to issue share certificates for his registered shares.

8.3 Share certificates shall be available in such denominations as the Board of Directors shall determine.

8.4 All share certificates shall be signed by or on behalf of a director; the signature may be effected by printed facsimile. In addition all share certificates may be validly signed by one or more persons designated by the Board of Directors for that purpose.

8.5 All share certificates shall be identified by numbers and/or letters in such manner to be determined by the Board of Directors.

8.6 The Board of Directors may determine the form and contents of share certificates.

8.7 The expression share certificate as used in these articles of association shall include a share certificate in respect of more than one share.

8.8 The Company may, pursuant to a resolution of the Board of Directors, cooperate in the issuance of depository receipts in bearer form.

MISSING OR DAMAGED SHARE CERTIFICATES

Article 9

9.1 Upon written request by or on behalf of a shareholder, missing or damaged share certificates may be replaced by new share certificates or duplicates bearing the same numbers and/or letters, provided the shareholder who has made such

request, or the person making such request on his behalf, provides satisfactory evidence of his title and, in so far as applicable, the loss of the share certificates to the Board of Directors, and further subject to such conditions as the Board of Directors may deem appropriate.

9.2 The issuance of a new share certificate or a duplicate shall render the share certificates which it replaces invalid.

9.3 The issuance of new share certificates or duplicates for share certificates may in appropriate cases, at the discretion of the Board of Directors, be published in newspapers to be determined by the Board of Directors.

SHAREHOLDERS' REGISTER

Article 10

10.1 With due observance of the applicable statutory provisions in respect of registered shares, a shareholders' register shall be kept by or on behalf of the Company, which shareholders' register shall be regularly updated and, at the discretion of the Board of Directors, may, in whole or in part, be kept in more than one copy and at more than one address. At least one copy shall be kept at the office of the Company.

Part of the shareholders' register may be kept elsewhere in order to comply with applicable provisions set by a foreign stock exchange.

10.2 Each shareholder's name, his address and such further information as required by law and the information as the Board of Directors deems appropriate, whether at the request of a shareholder or not, shall be recorded in the shareholders' register.

10.3 The form and the contents of the shareholders' register shall be determined by the Board of Directors with due observance of the provisions of paragraphs 1 and 2 hereof.

10.4 Upon his request a shareholder shall be provided with written evidence of the contents of the shareholders' register with regard to the shares registered in his name free of charge, and the statement so issued may be validly signed on behalf of the Company by a director or by a person to be designated for that purpose by the Board of Directors.

10.5 The provisions of paragraphs 1 up to and including 4 hereof shall equally apply to persons who hold a right of usufruct or a right of pledge on one or more shares.

10.6 The Board of Directors shall have power and authority to permit inspection of the shareholders' register by and to provide information recorded therein, as well as any other information regarding the direct or indirect share holding of a shareholder of which the Company has been notified by that shareholder, to the authorities entrusted with the supervision and/or implementation of the trading of securities on a foreign stock exchange on behalf of the Company and its shareholders, in order to comply with applicable foreign statutory provisions or

applicable provisions set by such foreign stock exchange, if and to the extent such requirements apply to the Company and its shareholders as a result of the listing of shares in the share capital of the Company on such foreign stock exchange or the registration of such shares or the registration of an offering of such shares under applicable foreign securities laws.

REQUEST TO ISSUE OR CANCEL SHARE CERTIFICATES

Article 11

11.1 Subject to the provisions of article 8, a holder of shares may, upon his request, obtain one or more share certificates for his shares.

11.2 Subject to the provisions of article 8, a holder of shares may request the Company to cancel the share certificate(s) for his shares.

11.3 The Board of Directors may require a request, as referred to in this article 11, to be made on a special form, to be provided to the shareholder free of charge, to be signed by such shareholder. Any requests made pursuant to and in accordance with the provisions of articles 8, 9, 10 and this article 11 may be sent to the Company at such address(es) as to be determined by the Board of Directors, at all times including an address in the municipality or city where a stock exchange on which shares in the share capital of the Company are listed has its principal place of business.

11.4 The Company is entitled to charge amounts, at no more than cost, and to be determined by the Board of Directors, to those persons who request any services to be carried out pursuant to articles 8 to 11 inclusive.

TRANSFER OF SHARES

Article 12

12.1 Unless the law provides otherwise and except as provided by the provisions of the following paragraphs of this article, the transfer of a share shall require an instrument intended for such purpose and, unless the Company itself is a party to the transaction, the written acknowledgement of the transfer by the Company; service upon the Company of such instrument of transfer or of a copy or extract thereof signed as a true copy by a civil law notary or the transferor shall be considered to have the same effect as an acknowledgement.

12.2 In cases where no share certificate is issued for the relative shares, an instrument of transfer on a form to be supplied by the Company free of charge, must be submitted to the Company.

12.3 In cases where a share certificate is issued, the relative share certificate must be submitted to the Company, provided that an instrument of transfer printed on the back of the share certificate, has been duly completed and signed by or on behalf of the transferor and the transferee, or a separate instrument is submitted together with the share certificate.

12.4 If a transfer of a share for which a share certificate is issued, has been effected by service upon the Company of the relative share certificate with or without a

separate instrument of transfer, the Company shall, at the discretion of the Board of Directors, either endorse the transfer on the share certificate or cancel the share certificate and issue to the transferee one or more share certificates registered in his name up to an equal nominal amount.

12.5 The Company's written acknowledgement of a transfer of a share for which a share certificate is issued shall, at the discretion of the Board of Directors, be effected either by endorsement of the transfer on the share certificate as proof of the acknowledgement or by the issuance to the transferee of one or more share certificates registered in his name up to an equal nominal amount.

12.6 If the transfer of a share does not take place in accordance with the provisions of paragraphs 2 and 3 of this article, the transfer of a share can only take place with the permission of the Board of Directors. The Board of Directors may make its permission subject to such conditions as the Board of Directors may deem necessary or desirable. The applicant shall always be entitled to demand that said permission be granted on the condition that transfer takes place to a person designated by the Board of Directors. The permission shall be deemed to have been granted, should the Board of Directors not have decided on granting permission for the request within six weeks of being requested to do so.

12.7 The provisions of the preceding paragraphs of this article shall apply correspondingly to the allotment of shares in the event of a division of any share constituting joint property, the transfer of a shares as a consequence of a writ of execution and the creation of limited rights on a share.

RIGHT OF PLEDGE

Article 13

13.1 A right of pledge may be created on the shares.

13.2 If a right of pledge is created on shares, the shareholder shall be exclusively entitled to the voting rights attached to the shares

concerned and the voting rights may not be conferred on the holder of the right of pledge.

13.3 The holder of the right of pledge shall not be entitled to any of the rights which the law grants a holder of depository receipts issued with the cooperation of the Company.

13.4 The provisions of article 12 shall equally apply to the creation or release of a right of pledge on shares.

13.5 The Company may accept a pledge on its own shares only if:

a. the shares to be pledged are fully paid-up;

b. the nominal amount of its own shares to be pledged and those already held by it or pledged to it do not together amount to more than one-tenth of the issued share capital; and

c. the general meeting of shareholders has approved the pledge agreement.

RIGHT OF USUFRUCT

Article 14

14.1 A right of usufruct may be created on the shares.

14.2 If a right of usufruct is created on shares, the shareholder shall be exclusively entitled to the voting rights attached to the shares concerned and voting rights may not be conferred on the holder of the right of usufruct.

14.3 The holder of the right of usufruct shall not be entitled to any of the rights which the law grants a holder of depository receipts issued with the cooperation of the Company.

14.4 The provisions of article 12 shall equally apply to the creation, transfer or release of a right of usufruct on shares.

BOARD OF DIRECTORS

Article 15

15.1 The Company has a one-tier board structure. The Company will be managed by the Board of Directors. The Board of Directors is consisting of at least three (3) and at most twelve (12) directors, including at least one (1) executive director and at least two (2) non-executive directors. The Board of Directors shall determine the total number of directors, as well as the number of executive directors and the number of non-executive directors comprised therein, taking into account the previous sentence. The Board of Directors shall grant to one executive director the title of Chief Executive Officer (“CEO”). Only natural persons may be appointed as director.

15.2 The general meeting of shareholders shall appoint the directors and determine in respect of each of them whether he shall be an executive director or a non-executive director, with due observance of the previous paragraph.

A resolution to appoint a director may be passed by an absolute majority of the valid votes cast, provided that the resolution is passed further to a proposal by the Board of Directors. The executive directors shall not be allocated the task of making such a proposal. The general meeting of shareholders may appoint a director, without there being a proposal by the Board of Directors to this effect, by a resolution passed by an absolute majority of the valid votes cast representing at least one-third of the issued capital.

15.3 A director is appointed or reappointed for a period starting on the day of his (re)appointment and ending at the end of the annual general meeting of shareholders that will be held in the fourth year upon his (re)appointment, or such earlier time as determined at the time of his (re)appointment.

15.4 The general meeting of shareholders may at any time suspend or remove any director. A resolution of the general meeting of shareholders to remove or suspend a director may be passed by an absolute majority of the valid votes cast, provided that the resolution is passed further to a proposal by the Board of Directors. The general meeting of shareholders may remove or suspend a director, without there being a proposal by the Board of Directors to this effect, by a resolution passed by an absolute majority of the valid votes cast

representing at least one-third of the issued capital. An executive director may also at any time be suspended by the Board of Directors.

15.5 The general meeting of shareholders and, in the event the director concerned was suspended by the Board of Directors, also the Board of Directors, shall be authorized to resolve to terminate or continue the suspension of a director within three months after the

suspension of such director has taken effect. Should both the general meeting of shareholders and the Board of Directors fail to adopt such resolution, the suspension shall lapse after three months.

A resolution to continue the suspension may be adopted only once and in such event the suspension may be continued for a maximum period of three months commencing on the day the general meeting of shareholders or, as the case may be, the Board of Directors, has adopted the resolution to continue the suspension.

If within the period of continued suspension no resolution to either dismiss the director concerned is adopted by the general meeting of shareholders or to terminate the suspension is adopted by the general meeting of shareholders or, to the extent applicable, the Board of Directors, the suspension shall lapse.

15.6 The Board of Directors shall appoint from the number of directors one of the non-executive directors as chairman of the Board of Directors and, if the Board of Directors resolves so, one of the non-executive directors as vice-chairman of the Board of Directors.

15.7 The general policy with regard to the remuneration of the Board of Directors shall be determined by the general meeting of shareholders, upon a proposal of the nomination and compensation committee of the Board of Directors. The remuneration policy shall, at a minimum, address the items set out in Articles 2:383c up to and including 2:383e of the Dutch Civil Code, to the extent that these relate to the Board of Directors. The remuneration policy shall be presented in writing to the works council for information purposes at the same time as it is submitted to the general meeting of shareholders.

15.8 The remuneration of directors shall be set, with due regard for the remuneration policy, by the Board of Directors. With regard to arrangements concerning remuneration in the form of shares or share options, the Board of Directors shall submit a proposal to the general meeting of shareholders for its approval. This proposal must, at a minimum, state the number of shares or share options that may be granted to directors and the criteria that apply to the granting of such shares or share options or the alteration of such arrangements. An executive director shall not be allocated the task of determining the remuneration of the executive directors. An executive director shall also not participate in any decision-making in respect of the remuneration of the executive directors.

DUTIES AND POWERS

Article 16

16.1 The Board of Directors is charged with the management of the Company, subject to the restrictions contained in these articles of association. The Board of Directors shall divide its management tasks between the non-executive directors and one or more executive directors. Such division of tasks shall in any event entail that one or more executive directors shall be charged with the day to day affairs of the Company and that the non-executive directors shall be charged with supervising the executive director(s) in the performance of their duties.

16.2 The Board of Directors shall draw up rules governing its internal affairs. Such rules shall elaborate on the division of tasks referred to in the previous paragraph and may also detail the authorities and responsibilities entrusted to a committee. Such rules may not violate the provisions of these articles of association. If the Board of Directors has established rules governing its internal affairs, resolutions of the Board of Directors shall be adopted in accordance with these articles of association and the provisions of such rules. The Board of Directors may determine that one or more directors can validly resolve on matters that are part of their task. Such determination is made in the abovementioned rules or otherwise in writing.

16.3 The chairman shall use its best efforts to see to it that the majority of the meetings of the Board of Directors shall be held in Ireland.

16.4 The contemporaneous linking together by telephone conference or audio-visual communication facilities of the directors, shall be deemed to constitute a meeting of the Board of Directors for the duration of the connection. Any director taking part, shall be deemed present in person at the meeting and shall be entitled to vote or counted in quorum accordingly.

16.5 Resolutions of the Board of Directors may, instead of in a meeting, be passed in writing - including any electronic message and facsimile, or in the form of a message transmitted by any accepted means of communication and received or capable of being produced in writing - provided that all directors are familiar with the resolution to be passed and none of them objects to this decision-making process and provided that the resolution is signed by a majority of the directors in office.

16.6 The Board of Directors shall establish a group executive committee, a group portfolio and investment committee, a group treasury and accounting committee, an audit committee and a nomination and compensation committee. The Board of Directors may establish any other committee as the Board of Directors shall decide. The Board of Directors shall draw up rules governing a committee’s internal affairs.

16.7 Without prejudice to any other applicable provision in these articles of association, the Board of Directors shall require the approval of the general meeting of shareholders for resolutions of the Board of Directors with regard to an important change in the identity or character of the Company or the

enterprise, including in any event:

a. the transfer of the enterprise or almost the entire enterprise to a third party;

b. entry into or termination of any long-term cooperation by the Company or a subsidiary of the Company with another legal entity company or partnership, or as a fully liable partner in a limited or general partnership, if such cooperation or termination thereof is of far-reaching significance to the Company;

c. acquisition or disposal by the Company, or a subsidiary of the Company, of a participating interest in the capital of a company with a value of at least one third of the amount of the assets as shown on the balance sheet with explanatory notes or, if the Company prepares a consolidated balance sheet, as shown on the consolidated balance sheet with explanatory notes according to the most recently adopted annual accounts of the Company.

The absence of approval by the general meeting of shareholders of a resolution as referred to in this paragraph shall not affect the representative authority of the directors.

16.8 Where one or more directors are absent or prevented from acting, the remaining director(s) shall be charged with the entire management of the Company. Where all directors or the only director are/is absent or prevented from acting, the management shall be conducted temporarily by one or more persons to be appointed for that purpose by the general meeting of shareholders.

16.9 Where a director has a personal interest which conflicts directly or indirectly with the interests of the Company or the enterprise associated with the Company, he shall not participate in the decision-making process. If as a result of the previous sentence no resolution of the Board of Directors can be adopted, such resolution may nonetheless be adopted by the Board of Directors.

REPRESENTATION

Article 17

17.1 The Board of Directors, as well the CEO acting individually, is entitled to represent the Company.

17.2 The Company may grant special and general powers of attorney, whether or not such persons are employed by the Company, authorizing them to represent the Company and bind it vis-à-vis third parties.

INDEMNIFICATION

Article 18

18.1 Subject to the limitations included in this article, every person or legal entity who is, or has been, a director, proxy-holder, staff member or officer (specifically including the Chief Financial Officer and the Chief Legal Officer as from time to time designated by the Board of Directors), who is made, or threatened to be made, a party to any claim, action, suit or proceeding in which he/she or it becomes involved as a party or otherwise by virtue of his/her or its

being, or having been, a director, proxy-holder, staff member or officer of the Company, shall be indemnified by the Company, to the fullest extent permitted under the laws of the Netherlands, concerning (A) any and all liabilities imposed on him/her or on it, including judgements, fines and penalties, (B) any and all expenses, including costs and attorneys' fees, reasonably incurred or paid by him/her or by it, and (C) any and all amounts paid in settlement by him/her or by it, in connection with any such claim, action, suit or other proceeding.

18.2 A director, proxy-holder, staff member or officer shall, however, have no right to be indemnified against any liability in any matter if it shall have been finally determined that such liability resulted from the intent, wilful recklessness or serious culpability of such person or legal entity.

18.3 Furthermore, a director, proxy-holder, staff member or officer shall have no right to be indemnified against any liability in any matter if it shall have been finally determined that such person or legal entity did not act in good faith and in the reasonable belief that his or its action was in the best interest of the Company.

18.4 In the event of a settlement, a director, proxy-holder, staff member or officer shall not lose his/her or its right to be indemnified unless there has been a determination that such person or legal entity engaged in intent, wilful recklessness or serious culpability in the conduct of his or its office or did not act in good faith and in the reasonable belief that his/her or its action was in the best interest of the Company:

(i) by the court or other body approving settlement; or

(ii) by a resolution duly adopted by the general meeting of shareholders; or

(iii) by written opinion of independent counsel to be appointed by the Board of Directors.

18.5 The right to indemnification herein provided (i) may be insured against by policies maintained by the Company, (ii) shall be severable, (iii) shall not affect any other rights to which any director, proxy-holder, staff member or officer may now or hereafter be

entitled, (iv) shall continue as to a person or legal entity who has ceased to be a director, proxy-holder, staff member or officer, and (v) shall also inure to the benefit of the heirs, executors, administrators or successors of such person or legal entity.

18.6 Nothing included herein shall affect any right to indemnification to which persons or legal entities other than a director, proxy-holder, staff member or officer may be entitled by contract or otherwise.

18.7 Subject to such procedures as may be determined by the Board of Directors, expenses in connection with the preparation and presentation of a defence to any claim, action, suit or proceeding of the character described in this article 18 may be advanced to the director, proxy-holder, staff member or officer by the Company prior to final disposition thereof upon receipt of an undertaking by or

on behalf of such director, proxy-holder, staff member or officer to repay such amount if it is ultimately determined that he or it is not entitled to indemnification under this article 18.

GENERAL MEETING OF SHAREHOLDERS

Article 19

19.1 The annual general meeting of shareholders shall be held within six months after the close of the financial year.

19.2 At this general meeting of shareholders the following subjects shall be considered:

a. the written annual report prepared by the Board of Directors on the course of business of the Company and the conduct of its affairs during the past financial year;

b. the adoption of the annual accounts;

c. discussion regarding the Company's reserves and dividend policy and justification thereof by the Board of Directors;

d. if applicable, the proposal to pay a dividend;

e. the discharge of the directors in respect of their management during the previous financial year;

f. the appointment of directors;

g. the designation of the person referred to in article 16.8;

h. each substantial change in the corporate governance structure of the Company; and

i. the proposals placed on the agenda by the Board of Directors together with proposals made by shareholders in accordance with the provisions of these articles of association.

19.3 Extraordinary general meetings of shareholders shall be held as often as deemed necessary by the Board of Directors and shall be held if one or more shareholders and other persons entitled to attend such meetings jointly representing at least one-tenth of the issued share capital make a written request to that effect to the Board of Directors, specifying in detail the business to be considered.

19.4 If the Board of Directors fails to comply with a request referred to in the preceding paragraph in such manner that the general meeting of shareholders can be held within six weeks after the request, the persons who have made the request may be authorized by the president of the district court in Amsterdam to convene the meeting themselves.

PLACE AND NOTICE OF THE GENERAL MEETING OF SHAREHOLDERS

Article 20

20.1 General meetings of shareholders shall be held in Amsterdam, Haarlemmermeer (Schiphol Airport), Rotterdam or The Hague. The notice convening the meeting

shall inform the shareholders and other persons entitled to attend meetings of shareholders accordingly.

20.2 All notices to shareholders and persons entitled to attend meetings of shareholders shall be published in a national daily newspaper. If required by law, notices to shareholders and persons to attend meetings of shareholders shall, in deviation from the previous sentence, be made by way of an electronically published announcement on the Company's website which shall until the general meeting be directly and permanently accessible.

20.3 The notice convening a general meeting of shareholders shall be published by either the Board of Directors, or by the persons who according to the law or these articles of association are entitled thereto.

NOTICE PERIOD AND AGENDA

Article 21

21.1 The notice convening a general meeting of shareholders shall be published no later than on the forty-second day prior to the day of the meeting. The notice shall always contain (i) the agenda for the meeting, notwithstanding the statutory provisions regarding reduction of issued share capital and amendment of articles of association, (ii) the location and time of the general meeting of shareholders and (iii) the procedure for participating in the meeting through a proxy holder.

21.2 The agenda shall contain such subjects to be considered at the meeting as the person(s) convening the meeting shall decide, and furthermore such other subjects, as one or more shareholders and others entitled to attend the meetings, at least representing the thresholds set by law from time to time, have so requested the Board of Directors in writing by reasoned request to include in the agenda, at least sixty days before the date of the meeting. No valid resolutions can be adopted at a general meeting of shareholders in respect of subjects which are not mentioned in the agenda.

CHAIRMAN OF GENERAL MEETINGS OF SHAREHOLDERS AND MINUTES

Article 22

22.1 General meetings of shareholders shall be presided by the chairman of the Board of Directors. In case of absence of the chairman of the Board of Directors the meeting shall be presided by any other person nominated by the Board of Directors. The chairman of the meeting shall appoint the secretary of that meeting.

22.2 The secretary of the meeting shall keep the minutes of the business transacted at the meeting, which minutes shall be adopted and signed by the chairman and the secretary of the meeting.

22.3 The chairman of the Board of Directors may request a civil law notary to include the proceedings at the meeting in a notarial report.

ATTENDANCE OF GENERAL MEETING OF SHAREHOLDERS

Article 23

23.1 All shareholders and persons entitled to attend meetings are entitled to attend general meetings of shareholders, to address the general meeting of shareholders and - to the extent they have the voting rights to the shares - to vote the shares thereat.

23.2 Prior to being admitted at a general meeting of shareholders, a shareholder or its proxy shall have to sign an attendance list, stating his name and the number of votes that can be cast by him. A proxy shall also state the name(s) of the person(s) for whom he acts.

23.3 Paragraph 1 will be applicable to those who (i) are a shareholder as per a certain date, determined by the Board of Directors, such date hereinafter referred to as: the “record date”, and (ii) who are as such registered in a register (or one or more parts thereof) designated thereto by the Board of Directors, hereinafter referred to as: the “register”, in as far as (iii) at the request of the applicant, the holder of the register has given notice in writing to the Company prior to the general meeting of shareholders, that the shareholder mentioned in this paragraph has the intention to attend the general meeting of shareholders, regardless who will be shareholder at the time of the general meeting of shareholders. The notice will contain the name and the number of shares the shareholder will represent in the general meeting of shareholders. The provision above under (iii) about the notice to the Company also applies to the proxy holder of a shareholder, who has a written proxy.

23.4 The record date mentioned in paragraph 3 shall be the twenty-eight day prior to the day of the general meeting of shareholders. The Board of Directors shall determine the date mentioned in paragraph 3 on which the intention to attend the general meeting of shareholders has to be given at the latest. The notice of the general meeting of shareholders will contain those times, the place of meeting and the proceedings for registration and notification.

23.5 Those who have a written proxy shall give their proxy to the holder of the register prior to the notification described in paragraph 4. The holder of the register will send the proxies together with the notification to the Company as described in paragraph 3 sub (iii). The Board of Directors may resolve that the proxies of holders of voting rights will be attached to the attendance list.

23.6 Shareholders and other persons entitled to attend meetings of shareholders may be represented by proxies duly authorized in writing, and such proxies shall be admitted upon production of such written instrument.

23.7 The general meeting of shareholders may adopt rules regarding, inter alia, the length of time for which shareholders may speak. In so far as such rules are not applicable, the chairman may determine the time for which shareholders may speak if he considers this desirable with a view to the orderly proceeding of the

meeting.

23.8 All matters regarding the admittance to the general meeting of shareholders, the exercise of voting rights and the result of votings, as well as any other matters regarding the proceedings at the general meeting of shareholders shall be decided upon by the chairman of that meeting, with due observance of the provisions of article 2:13 of the Dutch Civil Code.

VOTES AND ADOPTION OF RESOLUTIONS

Article 24

24.1 At the general meeting of shareholders each share entitles its holder to one (1) vote.

24.2 Unless otherwise stated in these articles of association, resolutions shall be validly adopted if adopted by absolute majority of votes cast.

24.3 Blank votes, abstentions and invalid votes shall not be considered as votes cast. Shares in respect of which a blank or invalid vote has been cast, or in respect of which the holder thereof present or represented at the meeting has abstained from voting, shall be taken into account when determining which part of the Company's issued share capital is present or represented at a general meeting of shareholders.

24.4 The chairman of the meeting shall decide on the method of voting and on the possibility of voting by acclamation.

ANNUAL ACCOUNTS AND REPORT OF THE BOARD OF DIRECTORS

Article 25

25.1 The financial year of the Company shall coincide with the calendar year.

25.2 Each year, within four months after expiry of the financial year, the Board of Directors shall draw up the annual accounts, consisting of a balance sheet and a profit and loss account in respect of the preceding financial year, together with the explanatory notes thereto. The Board of Directors shall furthermore prepare a report on the course of business of the Company in the preceding year.

25.3 The Board of Directors shall draw up the annual accounts in accordance with applicable generally accepted accounting principles and all other applicable provisions of the law.

The annual accounts shall be signed by all directors. Should the signature of one or more of them be missing, then mention shall be made thereof, stating the reason.

25.4 The Board of Directors shall cause the annual accounts to be examined by one or more registered accountant(s) or other experts designated for the purpose in accordance with article 2:393 of the Dutch Civil Code by the general meeting of shareholders. The auditor or the other expert designated shall report on his examination to the Board of Directors and shall issue a certificate containing the results thereof.

25.5 Copies of the annual accounts accompanied by the certificate of the expert

referred to in the preceding paragraph, the report of the Board of Directors, and the information to be added to each of such documents pursuant to the law, shall be made freely available at the office of the Company for the shareholders and the other persons entitled to attend meetings of shareholders, and - in the event that shares have been listed on the Amsterdam Stock Exchange - at a bank in Amsterdam, to be mentioned in the notice calling the general meeting of shareholders, as from the date of the notice convening the general meeting of shareholders at which meeting they shall be discussed, until the close thereof.

25.6 The general meeting of shareholders decides on the adoption of the annual accounts.

DISTRIBUTIONS

Article 26

26.1 From the profits, as apparent from the annual accounts adopted by the general meeting of shareholders such amounts shall be reserved as the Board of Directors shall determine.

26.2 The profits that remain after the application of paragraph 1 hereof shall be distributed to the shareholders pro rata to the number of shares held by each such shareholder.

26.3 Dividends payable in cash shall be paid in United States Dollars, unless the Board of Directors determines that payment shall be made in another currency.

26.4 The Company can only declare distributions insofar as its shareholders' equity exceeds the amount of the paid up and called portion of the issued share capital, plus the statutory reserves.

26.5 Subject to the provisions of article 2:105 paragraph 4 of the Dutch Civil Code and with due observance of the provisions of paragraph 4 of this Article, the Board of Directors may resolve to declare any interim dividends and/or other interim distributions. Such dividends and/or distributions shall be made to shareholders pro rata to the number of shares held by each shareholder.

Article 27

27.1 Distributions pursuant to article 26 shall be payable as from a date to be determined by the Board of Directors.

27.2 Distributions under article 26 shall be made payable at an address or addresses to be determined by the Board of Directors, and in any case at least at one address in each country where the shares of the Company are listed on a stock exchange.

27.3 The Board of Directors may determine the method of payment in respect of cash distributions on shares.

27.4 The person entitled to a distribution under article 26 on shares shall be the person in whose name the share is registered, or in the event of others entitled thereto, if their right is sufficiently established, at the date to be fixed for that purpose by the Board of Directors.

27.5 Notice of distributions and of the dates and places referred to in the preceding paragraphs of this article shall at least be published in a national daily newspaper and abroad in at least one daily newspaper appearing in each of those countries where the shares, on the application of the Company, have been admitted for official quotation, and further in such manner as the Board of Directors may deem desirable.

27.6 Distributions in cash under article 26 that have not been collected within five years and two days after have become due and payable shall revert to the Company.

27.7 The Board of Directors may cause the Company to declare distributions to shareholders under article 26 in full or partially in the form of shares in the share capital of the Company.

In the case of a distribution in the form of shares in the share capital of the Company, any shares in the Company not claimed within a period to be determined by the Board of Directors shall be sold for the account of the persons entitled to the distribution who failed to claim the shares. The net proceeds of such sale shall thereafter be held at the disposal of the above persons in proportion to their entitlement; the right to the proceeds shall lapse, however, if the proceeds are not claimed within thirty years after the date on which the distribution in shares was made payable.

27.8 In the case of a distribution in the form of shares in the Company, those shares shall be registered in the shareholders' register of the Company, and, were applicable, certificates shall be issued to the holders thereof.

27.9 The provisions of paragraphs 4 and 7 shall apply correspondingly in respect of any other distributions that do not take place pursuant to article 26.

AMENDMENT ARTICLES OF ASSOCIATION

Article 28

28.1 The general meeting of shareholders may resolve to amend the articles of association of the Company, provided that such resolution has been proposed to the general meeting of shareholders by the Board of Directors.

28.2 The complete proposal to amend the articles of association shall be made freely available for the shareholders and the other persons entitled to attend meetings of shareholders, at the office of the Company as from the day of notice convening such meeting until the close of that meeting.

DISSOLUTION AND LIQUIDATION

Article 29

29.1 The Company shall be dissolved pursuant to a resolution of the general meeting of shareholders, provided that such resolution has been proposed to the general meeting of shareholders by the Board of Directors. The provisions of article 28 shall apply correspondingly.

29.2 If the Company is dissolved, the liquidation shall be carried out by the Board of

Directors.

29.3 The liquidation shall take place with due observance of the provisions of the law. During the liquidation period these articles of association shall, to the extent possible, remain in full force and effect.

29.4 The balance of the assets of the Company remaining after all liabilities have been paid shall be distributed to the shareholders pro rata to the number of shares held by each such shareholder.

29.5 After settling the liquidation, the liquidators shall render account in accordance with the provisions of the law.

29.6 After the Company has ceased to exist, the books and records of the Company shall remain in the custody of the person designated for that purpose by the liquidators during a seven-year period.

CHOICE OF LAW AND EXCLUSIVE JURISDICTION

Article 30

The legal relationship among or between (a) the Company, (b) any of its current or former directors, and/or (c) any of its current or former holders of shares in the capital of the Company and derivatives thereof, including but not limited to (i) actions under statute, (ii) actions under the articles of association, including actions for breach thereof, and (iii) actions in tort, shall be governed in each case exclusively by the laws of the Netherlands, unless such legal relationship does not pertain to or arise out of the abovementioned capacities. Any dispute, suit, claim, pre-trial action or other legal proceeding, including summary or injunctive proceedings, by and between those persons pertaining to or arising out of the above-mentioned capacities shall be exclusively submitted to the courts of the Netherlands.

Exhibit 2.13

Execution Version

Second Amended and Restated Revolving Credit Agreement

dated as of

February 15, 2017

among

AERCAP HOLDINGS N.V.,

AERCAP IRELAND CAPITAL DESIGNATED ACTIVITY COMPANY,
as Borrower,

the SUBSIDIARY GUARANTORS party hereto,

the LENDERS party hereto

and

CITIBANK, N.A.,
as Administrative Agent

CITIGROUP GLOBAL MARKETS INC.,
MIZUHO BANK, LTD.,
BARCLAYS BANK PLC, JP MORGAN CHASE BANK, N.A., ABBEY NATIONAL TREASURY SERVICES PLC, MERRILL LYNCH, PIERCE FENNER & SMITH INCORPORATED, CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK, DEUTSCHE BANK SECURITIES INC., MORGAN STANLEY SENIOR FUNDING, INC. AND RBC CAPITAL MARKETS,
as Joint Lead Arrangers and Joint Bookrunners,

MIZUHO BANK, LTD.,
BARCLAYS BANK PLC AND JPMORGAN CHASE BANK, N.A.,
as Syndication Agent,
and

ABBEY NATIONAL TREASURY SERVICES PLC, MERRILL LYNCH, PIERCE FENNER & SMITH INCORPORATED, CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK, DEUTSCHE BANK AG NEW YORK BRANCH, MORGAN STANLEY SENIOR FUNDING, INC. AND ROYAL BANK OF CANADA,
as Documentation Agents

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SECOND AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT

SECOND AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT (this "Agreement"), dated as of February 15, 2017, among AERCAP HOLDINGS N.V., an entity organized under the laws of the Netherlands (herein called the "Company"), AERCAP IRELAND CAPITAL DESIGNATED ACTIVITY COMPANY, an entity incorporated under the laws of Ireland with limited liability and formerly known as AerCap Ireland Capital Limited (herein called the "Borrower"), the SUBSIDIARY GUARANTORS party hereto from time to time, the LENDERS (as defined herein) party hereto from time to time and CITIBANK, N.A. (herein, in its individual corporate capacity, together with its successors and permitted assigns, called "Citibank"), as administrative agent for the Lenders (herein, in such capacity, together with its successors and permitted assigns in such capacity, called the "Agent" or "Administrative Agent").

W I T N E S S E T H:

WHEREAS, the Company, the Borrower, the Subsidiary Guarantors party thereto, certain of the Lenders and the Administrative Agent are party to the Existing Credit Agreement (as defined below).

WHEREAS, the Borrower has requested that the "Lenders" under the Existing Credit Agreement agree to amend and restate the Existing Credit Agreement in the form hereof. The Lenders party hereto are willing to amend and restate the Existing Credit Agreement in the form hereof and to lend up to $3,745,000,000 to the Borrower on a four-year revolving basis for general corporate purposes, in each case on the terms and subject to the conditions herein set forth.

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties hereto agree as follows:

SECTION 1. CERTAIN DEFINITIONS

Section 1.1. Terms Generally. The definitions ascribed to terms in this Section 1 and elsewhere in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". Unless expressly provided for herein or the context requires otherwise, (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified, in each case in accordance with its terms and (b) any reference herein to any Person shall be construed to include such Person's successors and permitted assigns. The words "hereby", "herein", "hereof", "hereunder" and words of similar import refer to this Agreement as a whole (including any exhibits and schedules hereto) and not merely to the specific Section, paragraph or clause in which such word appears. All references herein to Sections, Exhibits and Schedules shall be deemed references to Sections of and Exhibits and Schedules to this Agreement unless the context shall otherwise require.

Section 1.2. Specific Terms. When used herein, the following terms shall have the following meanings:

"Act" has the meaning set forth in Section 12.18.

"Acquisition" means any transaction, or any series of related transactions, consummated on or after the date of this Agreement, by which the Company or any of its Subsidiaries (i) acquires all or substantially all of the assets of any firm, corporation, limited liability company or other Person, or business unit or division thereof, whether through purchase of assets, merger or otherwise or (ii) directly or indirectly acquires (in one transaction or as the most recent transaction in a series of transactions) at least a majority (in number of votes for the members of the board of directors) of the capital stock of a Person.

"Activities" has the meaning set forth in Section 11.2(b).

"Additional Lender" has the meaning set forth in Section 4.4(a)(ii).

"Administrative Agent" has the meaning set forth in the Preamble.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with such Person. A Person shall be deemed to control another Person if such first Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through ownership of stock, by contract or otherwise.

"Affiliate Transaction" has the meaning set forth in Section 8.16.

"Agent" has the meaning set forth in the Preamble.

"Agent's Group" has the meaning set forth in Section 11.2(b).

"Agent Parties" has the meaning set forth in Section 12.2(f).

"Aggregate Commitment" means $3,745,000,000, as reduced by any reduction in the Commitments made from time to time pursuant to Section 4.1 or Section 12.9 or increased by any increase in the Commitments made from time to time pursuant to Section 4.4.

"Agreement" has the meaning set forth in the Preamble.

"AIG" means American International Group, Inc., a Delaware corporation.

"AIG Facility" means the Five-Year Revolving Credit Agreement, dated as of December 16, 2013, among the Company, the Borrower, the subsidiary guarantors party thereto, the lenders party thereto and AIG, as administrative agent.

"Aircraft Assets" means "Flight Equipment held for Operating Lease [net]," plus "Net Investment in Direct Finance Leases," plus "Inventory" plus "Lease Premium" plus "End of

Lease Assets" (or such substantially similar terms for such substantially similar assets as may be used from time to time).

"Anti-Corruption Laws" means (a) the United States Foreign Corrupt Practices Act of 1977 and all other United States laws, rules and regulations applicable to the Company and its Subsidiaries concerning or relating to bribery or corruption and (b) the UK Bribery Act of 2010.

"Arranger" means, each of Citigroup Global Markets Inc., Mizuho Bank, Ltd., Barclays Bank PLC, JP Morgan Chase Bank, N.A., Abbey National Treasury Services PLC, Merrill Lynch, Pierce Fenner & Smith Incorporated, Credit Agricole Corporate And Investment Bank, Deutsche Bank Securities Inc., Morgan Stanley Senior Funding, Inc. and RBC Capital Markets in their respective capacities as each of joint lead arranger and joint bookrunner.

"Assignee" has the meaning set forth in Section 12.4.1.

"Authorized Officer" of the Company means any of the following: any director, any attorney-in-fact, the Chairman of the Board, the Chief Executive Officer, the Vice Chairman, the President, any Executive Vice President, any Senior Vice President, any Vice President, the Chief Financial Officer, the Treasurer, any Assistant Treasurer, the Controller, the Chief Accounting Officer and the Secretary of the Company; provided that, for purposes of any certification of financial statements of the Company required to be delivered hereunder, the term "Authorized Officer" shall mean any of the Chief Financial Officer, the Treasurer, any Assistant Treasurer, the Controller and the Chief Accounting Officer of the Company.

"Bail-In Action" means, as to any EEA Financial Institution, the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of such EEA Financial Institution.

"Bail-In Legislation" means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"Base LIBOR" means, with respect to any Loan Period for a LIBOR Rate Loan, an interest rate per annum equal to the rate per annum obtained by dividing (a) the rate per annum (rounded upward to the nearest whole multiple of 1/100 of 1% per annum) equal to (i) the rate determined by the Administrative Agent (and notified to the Borrower) to be the offered rate which appears on the page of the Thompson Reuters Screen which displays an average ICE Benchmark Administration Interest Settlement Rate (or successor thereto if such rate is no longer displayed) (such page currently being the LIBOR01 page) for deposits (for delivery on the first day of such Loan Period) with a term equivalent to such Loan Period in Dollars, determined as of approximately 11:00 a.m. (London, England time) two Business Days prior to the first day of such Loan Period, or (ii) in the event the rate referenced in the preceding sub-clause (i) does not appear on such page or service or if such page or service shall cease to be available, the rate determined by the Administrative Agent (and notified to the Borrower) to be the offered rate on such other page or other service which displays an average ICE Benchmark Administration

Interest Settlement Rate (or successor thereto if such rate is no longer displayed) for deposits (for delivery on the first day of such Loan Period) with a term equivalent to such Loan Period in Dollars, determined as of approximately 11:00 a.m. (London, England time) two Business Days prior to the first day of such Loan Period or a rate determined through the use of straight-line interpolation by reference to two such rates, one of which shall be determined as if the period of time for which the rate for such deposits is available is the period next shorter than the length of such Loan Period and the other of which shall be determined as if the period of time for which the rate for such deposits are available is the period next longer than the length of such Loan Period as determined by the Administrative Agent (and notified to the Borrower) (such rate referred to in clauses (i) and (ii), the "Screen Rate") by (b) a percentage equal to 100% minus the Eurodollar Reserve Percentage for such Loan Period; provided that at no time shall "Base LIBOR" in respect of Committed Loans for any purposes hereunder be deemed to be less than 0.00% per annum.

"Base Rate" means for any day a fluctuating interest rate per annum equal to the applicable rate margin set forth for Base Rate Loans in the row entitled "Margins" on Schedule II plus the highest of (a) the Federal Funds Rate for such day plus 1/2 of 1%, (b) the rate of interest in effect for such day as publicly announced from time to time by Citibank as its "base rate" and (c) the LIBOR Rate that would be payable on such day for a LIBOR Rate Loan with a one-month Loan Period plus 1% less the applicable rate margin set forth for LIBOR Rate Loans in the row entitled "Margins" on Schedule II, provided that at no time shall "Base Rate" for any purposes hereunder (including in respect of Committed Loans) be deemed to be less than 0.00% per annum. The "base rate" is a rate set by Citibank based upon various factors including Citibank's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such rate announced by Citibank shall take effect at the opening of business on the day specified in the public announcement of such change.

"Base Rate Loan" means any Committed Loan which bears interest at the Base Rate.

"Board of Directors" means (a) with respect to a corporation or company, as applicable, the board of directors of the corporation or company, as applicable, or any committee thereof duly authorized to act on behalf of such board, (b) with respect to a partnership, the board of directors of the general partner of the partnership, (c) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof, and (d) with respect to any other Person, the board or committee of such Person serving a similar function.

"Business Day" means any day of the year on which banks are not required or authorized by law to close in New York City, Dublin or Amsterdam and, if the applicable Business Day relates to notices, determinations, fundings and payments in connection with any LIBOR Rate Loan, a day on which dealings are carried on in the London interbank market.

"Capital Markets Debt" means any debt securities (other than (a) a Qualified Securitization Financing or (b) a debt issuance guaranteed by an export credit agency (including the Eximbank)) issued in the capital markets by the Company or any of its Subsidiaries, whether

issued in a public offering or private placement, including pursuant to Section 4(2) of the Securities Act or Rule 144A, Regulation S or Regulation D under the Securities Act.

"Capital Stock" means (a) in the case of a corporation, corporate stock, (b) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock, (c) in the case of a partnership or limited liability company, partnership, membership interests (whether general or limited) or shares in the capital of the company, and (d) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"Capitalized Lease" means any lease under which any obligations of the lessee are, or are required to be, capitalized on a balance sheet of the lessee in accordance with GAAP; provided, however, that notwithstanding the foregoing, the treatment of Capitalized Leases shall be evaluated , and the amount of Capitalized Rentals shall be determined, in accordance with Sections 12.3(b) and (c) and without giving effect to any change to GAAP occurring after December 31, 2015 as a result of the adoption of any proposals set forth in the *Proposed Accounting Standards Update, Leases (Topic 840)*, issued by the Financial Accounting Standards Board on August 17, 2010, or any other proposals issued by the Financial Accounting Standards Board in connection therewith, in each case if such change would require treating any lease (or similar arrangement conveying the right to use) as a capital lease where such lease (or similar arrangement) was not required to be so treated under GAAP as in effect on December 31, 2015.

"Capitalized Rentals" means, as of the date of any determination, the amount at which the obligations of the lessee, due and to become due under all Capitalized Leases under which the Company or any Subsidiary is a lessee, are reflected as a liability on a consolidated balance sheet of the Company and its Subsidiaries.

"Change of Control" means (a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), other than one or more Permitted Holders, is or becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of shares representing more than 50% of the voting power of the Company's Voting Stock, (b) (i) all or substantially all of the assets of the Company and the Subsidiaries, taken as a whole, are sold or otherwise transferred to any Person other than a Wholly-owned Subsidiary of the Company or one or more Permitted Holders or (ii) the Company amalgamates, consolidates or merges with or into another Person or any Person consolidates, amalgamates or merges with or into the Company, in either case under this clause (b), in one transaction or a series of related transactions in which immediately after the consummation thereof Persons beneficially owning (as defined in Rules 13d-3 and 13d-5 under the Exchange Act) Voting Stock representing in the aggregate a majority of the total voting power of the Voting Stock of the Company, immediately prior to such consummation do not beneficially own (as defined in Rules 13d-3 and 13d-5 under the Exchange Act) Voting Stock representing a majority of the total voting power of the Voting Stock of the Company, or the applicable surviving or transferee Person; provided that this clause shall not apply (A) in the case where immediately after the consummation of the transactions Permitted Holders beneficially own Voting Stock representing in the aggregate a majority of the total voting power of the

Company, or the applicable surviving or transferee Person or (B) to an amalgamation or a merger of the Company with or into (x) a corporation, limited liability company or partnership or (y) a wholly-owned subsidiary of a corporation, limited liability company or

partnership that, in either case, immediately following the transaction or series of transactions, has no Person or group (other than Permitted Holders), which beneficially owns Voting Stock representing 50% or more of the voting power of the total outstanding Voting Stock of such entity and, in the case of clause (y), the parent of such Wholly-owned Subsidiary guarantees the Borrower's Obligations under this Agreement, (c) the Company shall adopt a plan of liquidation or dissolution or any such plan shall be approved by the shareholders of the Company or (d) the Borrower ceases to be a direct or indirect Wholly-owned Subsidiary of the Company.

"Citibank" has the meaning set forth in the Preamble.

"Closing Date" has the meaning set forth in Section 9.2.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commitments" means the Lenders' commitments to make Committed Loans hereunder; and "Commitment" as to any Lender means the amount set forth opposite such Lender's name on Schedule I (as reduced or increased, as applicable, in accordance with Section 4.1 or Section 4.4, or as periodically revised in accordance with Section 12.4 or Section 12.9).

"Committed Loan" means a loan in Dollars that is a Base Rate Loan or LIBOR Rate Loan made pursuant to Section 2 (each of which shall be a "Type" of Committed Loan).

"Committed Loan Request" has the meaning set forth in Section 2.2(a).

"Committed Note" means a promissory note of the Borrower, substantially in the form of Exhibit B, duly completed, evidencing Committed Loans to the Borrower, as such note may be amended, modified or supplemented or supplanted pursuant to Section 12.4.1 from time to time.

"Communications" has the meaning set forth in Section 12.2(b).

"Company" has the meaning set forth in the Preamble.

"Connection Income Taxes" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"Consolidated Indebtedness" means, as of the date of any determination, (a) the total amount of Indebtedness less the amount of current and deferred income taxes and rentals received in advance of the Company and its Subsidiaries (to the extent constituting Indebtedness) determined on a consolidated basis in accordance with GAAP (but without giving effect to any election to value any Indebtedness at "fair value", or any other accounting principle, including purchase accounting, that results in the amount of any such Indebtedness (other than zero coupon Indebtedness) as reflected on a consolidated balance sheet of the Company to be reflected

thereon in any amount other than the stated principal amount of such Indebtedness), and excluding (i) the amount that is (A) the aggregate amount outstanding of Hybrid Capital Securities multiplied by (B) the Hybrid Capital Securities Percentage, (ii) adjustments in relation to Indebtedness denominated in any currency other than Dollars and any related derivative liability, in each case to the extent arising from currency fluctuations (such exclusions to apply only to the extent the resulting liability is hedged by the Company or such Subsidiary), (iii) net obligations of any Person under any swap contracts that are not yet due and payable, and (iv) trade payables outstanding in the ordinary course of business, but not overdue by more than 90 days less (b) the lesser of (x) $2,000,000,000 and (y) the aggregate amount of "cash and cash equivalents" or any line item of similar import (but in any event, excluding "restricted cash" or any line item of similar import and excluding "cash and cash equivalents" or any line item of similar import subject to any Lien (other than (A) Liens arising by operation of law and (B) bankers' Liens arising in the ordinary course of business)) reflected on a consolidated balance sheet of the Company prepared as of such date of determination in accordance with GAAP.

"Consolidated Interest Expense" means for any measurement period, and without duplication, interest expense in respect of all Indebtedness for borrowed money accrued during such measurement period by the Company and its Subsidiaries on a consolidated basis, as determined under GAAP (but without giving effect to any adjustment to such interest expense resulting from any election to value any Indebtedness at "fair value", or any other accounting principle, including purchase accounting, that results in the amount of any such Indebtedness (other than zero coupon Indebtedness) as reflected on a consolidated balance sheet of the Company to be reflected thereon in any amount other than the stated principal amount of such Indebtedness).

"Continue", "Continuation" and "Continued" each refers to a continuation of LIBOR Rate Loans as LIBOR Rate Loans for a new Loan Period pursuant to Section 2.4.

"Convert", "Conversion" and "Converted" each refers to a conversion of Committed Loans of one Type into Committed Loans of the other Type pursuant to Section 2.4.

"Credit Facilities" means one or more debt facilities, or commercial paper facilities with banks or other institutional lenders or investors or indentures providing for revolving credit loans, term loans, receivables financing, including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against receivables, letters of credit or other long-term indebtedness, including any guarantees, collateral documents, instruments and agreements executed in connection therewith, and any amendments, supplements, modifications, extensions, renewals, restatements or refundings thereof and any indentures or credit facilities or commercial paper facilities with banks or other institutional lenders or investors that replace, refund or refinance any part of

the loans, notes, other credit facilities or commitments thereunder, including any such replacement, refunding or refinancing facility or indenture that increases the amount borrowable thereunder or alters the maturity thereof.

"Debtor Relief Law" means title 11 of the United States Code, as in effect from time to time, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor

relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"Defaulted Commitments" has the meaning set forth in Section 4.1(b).

"Defaulting Lender" means, at any time, any Lender that at such time (a) has failed to perform any of its funding obligations hereunder, including in respect of its Committed Loans within two Business Days of the date required to be funded by it hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, (b) has notified the Borrower or the Agent that it does not intend to comply with its funding obligations or has made a public statement to that effect with respect to its funding obligations hereunder or generally under other agreements in which it commits to extend credit (unless such notice or public statement relates to such Lender's obligation to fund a Committed Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such notice or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by the Agent or the Borrower (based on its reasonable belief that such Lender may not fulfill its funding obligations hereunder), to confirm in writing or a manner satisfactory to the Agent and the Borrower that it will comply with its funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had a receiver, conservator, trustee, administrator, intervenor, sequestrator, assignee for the benefit of creditors or similar Person under any applicable Debtor Relief Law charged with reorganization or liquidation of its business or a custodian appointed for it, (iii) taken any action in furtherance of, or indicated its consent to, approval of or acquiescence in any such proceeding or appointment, or (iv) become the subject of a Bail-in Action; provided, that, a Lender shall not be a Defaulting Lender solely by virtue of the control, ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority, so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination that a Lender is a Defaulting Lender under clauses (a) through (d) above will be made by the Agent in its reasonable discretion acting in good faith. If the Borrower believes in good faith that a Lender should be determined by the Agent to be a Defaulting Lender and so notifies Agent, citing the reasons therefor, the Agent shall determine in its reasonable discretion acting in good faith whether or not such Lender is a Defaulting Lender. The Agent will promptly send to all parties hereto a copy of any notice to the Borrower provided for in this definition.

"Disqualified Lender" means any Person that (a) is an operating lessor of aircraft assets or an Affiliate of an operating lessor of aircraft assets if the business of leasing aircraft assets is a principal line of business of such Person or the Affiliates of such Person taken as a

whole, (b) has a business unit or an Affiliate that is an operating lessor of aircraft assets (regardless of whether the business of leasing aircraft assets is a principal line of business of such Person or the Affiliates of such Person taken as a whole) if such Person has not affirmed to the Borrower that such Person has in place procedures not to transmit or permit the transmission to such operating lessor of any information concerning the Company or any of its Subsidiaries obtained in connection with this Agreement or the transactions contemplated hereby, (c) is a Defaulting Lender or, upon becoming a Lender under this Agreement, would be a Defaulting Lender or (d) based on the law and circumstances existing at the time of any proposed transfer, would be entitled to claim additional amounts from the Borrower under Section 5.4 or 6.1 (as compared to any amounts able to be claimed by the proposed assignor) or whose acquisition of any Committed Loan or Commitments would conflict with applicable law or would impose on the Borrower any withholding obligation not applicable to the assignor at the time of the assignment.

"Disqualified Stock" means with respect to any Person, any Capital Stock of such Person which, by its terms, or by the terms of any security into which it is convertible or for which it is putable or exchangeable, or upon the happening of any event, matures or is mandatorily redeemable, other than as a result of a change of control or asset sale, pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof, other than as a result of a change of control or asset sale, in whole or in part, in each case prior to the date 91 days after the earlier of (a) the latest scheduled Termination Date in effect on the date of issuance of such Capital Stock and (b) the date which no Committed Loans or Commitments are then outstanding hereunder; provided, however, that if such Capital Stock is issued to any plan for the benefit of employees of the Company or its Subsidiaries or by any such plan to such employees, such Capital Stock shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Company or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations.

"Dollar" and "$" refer to the lawful money of the United States of America.

"EBITDA" means for any period, (a) the sum, without duplication, of (i) net income (or net loss), (ii) Consolidated Interest Expense, (iii) income tax expense, (iv) depreciation and depletion expense, (v) amortization expense, (vi) extraordinary, unusual or nonrecurring losses to the extent the foregoing have been deducted in determining such net income, (vii) any non-cash items (including write-downs and impairment of property, plant, equipment and intangibles and other long-lived assets, including aircraft, and the impact of purchase accounting, including stock based compensation expense, derivative expense and fair value adjustments) to the extent deducted in determining net income, and (viii) the amount of any extraordinary, unusual or nonrecurring non-cash restructuring charges, less (b) the sum, without duplication, of (i) extraordinary, unusual or nonrecurring gains to the extent added in determining net income, and (ii) all non-cash items to the extent included in determining net income). For the purposes of calculating EBITDA for any four quarter period, such calculation shall be made (i) after giving effect to any Acquisition consummated during such period and (ii) assuming that such Acquisition occurred at the beginning of such period; provided, that any pro forma calculation made by the Company either (i) based on Regulation S-X or (ii) as calculated in good faith and set forth in an officer's certificate of the Company, in reasonable detail, (and in the case of this clause (ii), based on audited financials of the target company) shall be acceptable.

"ECA Financing" means any financing provided or supported by one or more government export credit agencies.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country that is a parent of an institution described in clause (a) above or (c) any financial institution established in an EEA Member Country that is a subsidiary of an institution described in clause (a) or (b) above and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein and Norway.

"EEA Resolution Authority" means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Eligible Assignee" means any financial institution; provided, however, that (a) neither the Borrower nor any Affiliate of the Borrower shall qualify as an Eligible Assignee, and (b) no natural person or Disqualified Lender shall qualify as an Eligible Assignee, whether or not an Event of Default has occurred and is continuing (unless otherwise agreed by the Borrower in its sole discretion).

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock, but excluding any debt security that is convertible into, or exchangeable for, Capital Stock.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" means any corporation, trade or business that is, along with the Company or any Subsidiary, a member of a controlled group of corporations or a controlled group of trades or businesses, as described in Sections 414(b) and 414(c), respectively, of the Code or Section 4001 of ERISA (and Sections 414(m) and 414(o) of the Code for purposes of provisions relating to Section 412 of the Code).

"ERISA Event" means (a) any "reportable event", as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30-day notice period is waived); (b) any failure by any Plan to satisfy the minimum funding standard (as defined in Section 412 of the Code or Section 302 of ERISA), applicable to such Plan; (c) the incurrence by the Company or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (d) the receipt by the Company or any ERISA Affiliate from the PBGC or a plan administrator of any notice having the effect of terminating any Plan or Plans or appointing a trustee to administer any Plan; (e) the incurrence by the Company or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (f) the receipt by the Company or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Company or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a

determination that a Multiemployer Plan is, or is expected to be, insolvent, within the meaning of Title IV of ERISA or in "endangered" or "critical" status, within the meaning of Section 305 of ERISA or Section 432 of the Code.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

"Eurodollar Reserve Percentage" means for any day in any Loan Period for any LIBOR Rate Loan that percentage in effect on such day as prescribed by the Board of Governors of the Federal Reserve System (or any successor thereto) or other U.S. government agency for determining the reserve requirement (including any marginal, basic, supplemental or emergency reserves) for a member bank of the Federal Reserve System in New York City with deposits exceeding one billion dollars in respect of eurocurrency funding liabilities.

"Event of Default" means any of the events described in Section 10.1.

"Exchange Act" means the United States Securities Exchange Act of 1934.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. Federal, Netherlands or Irish withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Committed Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Committed Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 12.9(c)) or (ii) such Lender changes its lending office (other than pursuant to Section 6.1(c)), its place of incorporation or its place of tax residence, except in each case to the extent that, (x) pursuant to Section 5.4, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender acquired the applicable interest in such Committed Loan or Commitment or to such Lender immediately before it changed its lending office, its place of incorporation or its place of tax residence or (y) in the case of Irish withholding Taxes, such Taxes are imposed on Lenders that are Qualifying Lenders, (c) Taxes attributable to such Recipient's failure to comply with Section 5.4(f), and (d) any U.S. Federal withholding Taxes imposed under FATCA.

"Eximbank" means the Export-Import Bank of the United States.

"Existing Credit Agreement" means that certain Amended and Restated Revolving Credit Agreement dated as of March 11, 2014, among the Company, the Borrower, the Subsidiary Guarantors party thereto, certain financial institutions party thereto and Citibank, as administrative agent, as amended, supplemented or otherwise modified through the Closing Date (but shall not, for any purposes hereunder, include this Agreement).

"Extension Request" has the meaning specified in Section 12.9(a).

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), together in each case with any current or future regulations or official IRS interpretations thereof, any official agreements entered into pursuant to Section 1471(b)(1) of the Code and any law or agreement implementing an official intergovernmental agreement with respect thereto.

"Federal Funds Rate" means, for any period, a fluctuating interest rate per annum equal for each day during such period to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by the Agent from three Federal funds brokers of recognized standing selected by it.

"Financial Indebtedness" of any Person means Indebtedness of the type that appears as "debt" upon a consolidated balance sheet (excluding the footnotes thereto) of such Person and its Subsidiaries prepared in accordance with GAAP (but without giving effect to any election to value any such Indebtedness at "fair value", or any other accounting principle, including purchase accounting, that results in the amount of any such Indebtedness (other than zero coupon Indebtedness) as reflected on a consolidated balance sheet of such Person to be reflected thereon in any amount other than the stated principal amount of such Indebtedness), excluding, however, any such "debt" that is issued to any holder (or Affiliate of any such holder) of Equity Interests in such Person and is fully subordinated (including as to payment and liquidity preference) to the Committed Loans.

"Financing Trust" means AerCap Global Aviation Trust, a Delaware statutory trust.

"Foreign Benefit Event" means, with respect to any Foreign Plan, (a) the existence of unfunded liabilities in excess of the amount permitted under any applicable law, (b) the failure to make the required contributions or payments, under any applicable law, on or before the due date for such contributions or payments, (c) the receipt of a notice by a Governmental Authority relating to the termination of any such Foreign Plan or the appointment of a trustee or similar official to administer any such Foreign Plan, (d) the incurrence of any liability by the Company or any Subsidiary under any applicable law on account of the complete or partial termination of such Foreign Plan or the complete or partial withdrawal of any participating employer therein or (e) the occurrence of any transaction that is prohibited under any applicable law and that could reasonably be expected to result in the incurrence of any material liability by the Company or any Subsidiary.

"Foreign Plan" means each "employee benefit plan" (as defined in Section 3(3) of ERISA) maintained or contributed to by the Company or any of its Subsidiaries outside the United States with respect to which the Company or any of its Subsidiaries could have any actual or contingent liability, other than a Plan.

"Funding Date" means the date on which any Committed Loan is scheduled to be disbursed.

"Funding Office" means, with respect to any Lender, any office or offices of such Lender or Affiliate or Affiliates of such Lender through which such Lender shall fund or shall have funded any Committed Loan. A Funding Office may be, at such

Lender's option, either a domestic or foreign office of such Lender or a domestic or foreign office of an Affiliate of such Lender.

"GAAP" means generally accepted accounting principles in the United States which are in effect from time to time. At any time after the Closing Date, the Company may elect to apply IFRS accounting principles in lieu of GAAP for reporting purposes and for purposes of calculations hereunder. The Company shall give notice of any such election made in accordance with this definition to the Agent. Upon receipt of such notice, the Agent and the Company shall negotiate in good faith to amend the financial covenants, requirements and other relevant provisions of this Agreement impacted by such change to preserve the original intent thereof in light of such change. The change from GAAP to IFRS accounting principles shall become effective once this Agreement has been so amended, and thereafter references herein to GAAP shall be construed to mean IFRS (except as otherwise provided herein); provided that any calculation or determination herein that requires the application of GAAP for periods that include fiscal quarters ended prior to the Company's election to apply IFRS shall remain as previously calculated or determined in accordance with GAAP.

"Governmental Authority" means, as and to the extent applicable, the government of the United States of America, the Netherlands or any other nation, or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity (including any federal or other association of or with which any such nation may be a member or associated) exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies, such as the European Union or the European Central Bank).

"Granting Lender" has the meaning set forth in Section 12.4.2.

"Guarantee Assumption Agreement" means a Guarantee Assumption Agreement substantially in the form of Exhibit F (or in such other form as may be agreed between the Company and the Administrative Agent) in favor of the Administrative Agent for the benefit of the Lenders and the Administrative Agent.

"Guaranteed Obligations" has the meaning set forth in Section 13.1.

"Guarantees" by any Person means, without duplication, all obligations (other than endorsements in the ordinary course of business of negotiable instruments for deposit or collection) of such Person guaranteeing or in effect guaranteeing any Indebtedness, dividend or other obligation of any other Person (the "Primary Obligor") in any manner, whether directly or indirectly, including all obligations incurred through an agreement, contingent or otherwise, by such Person: (a) to purchase such Indebtedness or obligation or any property or assets constituting security therefor, (b) to advance or supply funds (i) for the purchase or payment of

such Indebtedness or obligation or (ii) to maintain working capital or other balance sheet condition or otherwise to advance or make available funds for the purchase or payment of such Indebtedness or obligation, (c) to lease property or to purchase securities or other property or services primarily for the purpose of assuring the owner of such Indebtedness or obligation of the ability of the Primary Obligor to make payment of the Indebtedness or obligation or (d) otherwise to assure the owner of the Indebtedness or obligation of the Primary Obligor against loss in respect thereof; provided, however, that the obligation described in clause (c) shall not include (i) obligations of a buyer under an agreement with a seller to purchase goods or services entered into in the ordinary course of such buyer's and seller's businesses unless such agreement requires that such buyer make payment whether or not delivery is ever made of such goods or services and (ii) remarketing agreements where the remaining debt on an aircraft does not exceed the aircraft's net book value, determined in accordance with industry standards, except that clause (c) shall apply to the amount of remaining debt under a remarketing agreement that exceeds the net book value of the aircraft. For the purposes of all computations made under this Agreement, a Guarantee in respect of any Indebtedness for borrowed money shall be deemed to be Indebtedness equal to the principal amount of such Indebtedness for borrowed money which has been guaranteed, and a Guarantee in respect of any other obligation or liability or any dividend shall be deemed to be Indebtedness equal to the maximum aggregate amount of such obligation, liability or dividend.

"Guarantor" means the Company and each Subsidiary Guarantor.

"Hybrid Capital Securities" means any hybrid capital securities issued by the Company or any of its Subsidiaries from time to time whose proceeds are accorded a percentage of equity treatment by one or more Rating Organizations.

"Hybrid Capital Securities Percentage" means the greater of (a) 50% and (b) the lowest percentage accorded equity treatment for the Company's or any of its Subsidiaries' Hybrid Capital Securities among the Rating Organizations, as determined by such Rating Organizations from time to time.

"ILFC" means International Lease Finance Corporation, a California corporation.

"Increasing Lender" has the meaning set forth in Section 4.4(a)(i).

"Indebtedness" of any Person means and includes, without duplication, all obligations of such Person which in accordance with GAAP shall be classified upon a balance sheet of such Person as liabilities of such Person, and in any event shall include all:

(a) obligations of such Person for borrowed money or which have been incurred in connection with the acquisition of property or assets (other than security and other deposits on flight equipment),

(b) Indebtedness of any other Person secured by any Lien or other charge upon property or assets owned by such Person, even though such Person has not assumed or become liable for the payment of such Indebtedness,

(c) obligations created or arising under any conditional sale, or other title retention agreement with respect to property acquired by such Person, notwithstanding the fact that the rights and remedies of the seller, lender or lessor under such agreement in the event of default are limited to repossession or sale of property,

(d) Capitalized Rentals of such Person under any Capitalized Lease,

(e) obligations evidenced by bonds, debentures, notes or other similar instruments, and

(f) Guarantees by such Person of Indebtedness of any other Person;

provided, however, that Indebtedness shall in no event include any security deposits, deferred overhaul rental or other customer deposits held by such Person.

"Indemnified Liabilities" has the meaning set forth in Section 12.7.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Obligor under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

"Independent Financial Advisor" means an accounting, appraisal, investment banking firm or consultant to Persons engaged in similar businesses of nationally recognized standing that is, in the good faith judgment of the Company, qualified to perform the task for which it has been engaged.

"Information" has the meaning set forth in Section 12.6.

"Information Memorandum" means the January 2017 Confidential Information Memorandum relating to the credit facility provided for herein.

"Interest Coverage Ratio" means the ratio of (a) EBITDA of the Company and its Subsidiaries, determined on a consolidated basis, to (b) the sum of Consolidated Interest Expense and cash dividend payments (excluding items eliminated in consolidation) on any series of preferred stock, for each of the items in clauses (a) and (b) above, of or by the Company and its Subsidiaries during the four consecutive fiscal quarters most recently ended for which financial statements have been delivered pursuant to Section 8.1.

"IRS" means the United States Internal Revenue Service.

"Lender Appointment Period" has the meaning set forth in Section 11.9.

"Lender Parties" has the meaning set forth in Section 12.7.

"Lenders" means the financial institutions identified as Lenders on the signature pages hereto and their respective successors and permitted assignees.

"LIBOR Rate" means with respect to Committed Loans that are LIBOR Rate Loans, Base LIBOR plus the applicable rate margin set forth for LIBOR Rate Loans in the row entitled "Margins" on Schedule II.

"LIBOR Rate Loan" means any Committed Loan which bears interest at a LIBOR Rate.

"Lien" means any mortgage, pledge, lien, security interest or other charge, encumbrance or preferential arrangement, including the retained security title of a conditional vendor or lessor. For avoidance of doubt, the parties hereto acknowledge that the filing of a financing statement under the Uniform Commercial Code does not, in and of itself, give rise to a Lien.

"Litigation Actions" means all litigation, claims and arbitration proceedings, proceedings before any Governmental Authority or investigations which are pending or, to the knowledge of the Company, threatened in writing against or affecting, the Company or any Subsidiary.

"Loan Documents" means this Agreement, the Committed Notes, and any Guarantee Assumption Agreement.

"Loan Period" means with respect to any LIBOR Rate Loan, the period commencing on such LIBOR Rate Loan's Funding Date, the date of the Conversion of any Base Rate Loan into such LIBOR Rate Loan or the date of the Continuation of such LIBOR Rate Loan for a new Loan Period and ending 1, 2, 3 or 6 months thereafter as selected by the Borrower pursuant to Section 2.2(a); provided, however, that:

(a) if a Loan Period would otherwise end on a day which is not a Business Day, such Loan Period shall end on the next succeeding Business Day (unless, in the case of a LIBOR Rate Loan, such next succeeding Business Day would fall in the next succeeding calendar month, in which case such Loan Period shall end on the next preceding Business Day),

(b) in the case of a Loan Period for any LIBOR Rate Loan, if there exists no day numerically corresponding to the day such Committed Loan was made in the month in which the last day of such Loan Period would otherwise fall, such Loan Period shall end on the last Business Day of such month, and

(c) on the date of the making, Conversion or Continuation of any Committed Loan by a Lender, the Loan Period for such Committed Loan shall not extend beyond the then-scheduled Termination Date for such Lender; provided, that a Loan Period may be shortened by the Borrower to end on the then-scheduled Termination Date, regardless of the duration of such Loan Period.

"Management Group" means at any time, the Chairman of the Board of Directors, the Chief Executive Officer, any President, any Executive Vice President or Vice President, any Managing Director, any Treasurer and any Secretary or other executive officer of the Company or any subsidiary of the Company at such time.

"Material Adverse Effect" means (i) any material adverse effect on the business, properties, condition (financial or otherwise) or operations of the Company and its Subsidiaries, taken as a whole since any stated reference date or from and after the date of determination, as the case may be, (ii) any material adverse effect on the ability of the Borrower or any Guarantor to perform its material obligations hereunder and under the Committed Notes or (iii) any material adverse effect on the legality, validity, binding effect or enforceability of any material provision of this Agreement or any Committed Note.

"Multiemployer Plan" has the meaning assigned to such term in Section 3(37) of ERISA.

"Non-Defaulting Lender" means, at any time, a Lender that is not a Defaulting Lender.

"Notice of Increase" has the meaning set forth in Section 4.4(a)(i).

"Notice Office" means the office of Citibank which, as of the date hereof, is located at 1615 Brett Road, New Castle, DE 19720; telecopy number 302-894-6005; telephone number 302-894-6120; e-mail address global.loans.support@citi.com.

"Obligors" means the Borrower and each Guarantor, and "Obligor" means any one of them.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Committed Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment other than an assignment made pursuant to Section 12.9(c).

"Participant" has the meaning set forth in Section 12.4.2.

"Participant Register" has the meaning set forth in Section 12.4.2.

"Payment Office" means the office of the Agent which, as of the date hereof, is at 1615 Brett Road, New Castle, DE 19720, account number 36852248.

"PBGC" means the Pension Benefit Guaranty Corporation and any entity succeeding to any or all of its functions under ERISA.

"Percentage" means as to any Lender the ratio, expressed as a percentage, that such Lender's Commitment as set forth opposite such Lender's name on Schedule I, as periodically revised in accordance with Section 12.4 or 12.9 and, as applicable, from time to time in accordance with Section 4.3(a), bears to the Aggregate Commitment or, if the Commitments have been terminated, the ratio, expressed as a percentage, that the aggregate principal amount of such Lender's outstanding Committed Loans bears to the aggregate principal amount of all outstanding Committed Loans.

"Permitted Holders" means the collective reference to Waha Capital, its Affiliates and the Management Group.

"Person" means an individual or a corporation, partnership, trust, incorporated or unincorporated association, limited

liability company, joint venture, joint stock company, government (or an agency or political subdivision thereof) or other entity of any kind.

"Plan" means, at any date, any employee pension benefit plan (as defined in Section 3(2) of ERISA) which is subject to Title IV of ERISA (other than a Multiemployer Plan) and to which the Company or any ERISA Affiliate may have any liability, including any liability by reason of having been a substantial employer within the meaning of Section 4063 of ERISA at any time during the preceding five years, or by reason of being deemed to be a contributing sponsor under Section 4069 of ERISA.

"Platform" has the meaning set forth in Section 12.2(c).

"Primary Currency" has the meaning set forth in Section 12.15(c).

"Primary Obligor" has the meaning set forth in the definition of "Guarantees".

"Projections" has the meaning set forth in Section 7.9.

"Public Lender" has the meaning set forth in Section 12.2(d).

"Qualified Securitization Financing" means any Securitization Financing of a Securitization Subsidiary, the financing terms, covenants, termination events and other provisions of which, including any Standard Securitization Undertakings, shall be market terms.

"Qualifying Lender" means a Lender that is beneficially entitled to the receipt of interest payable hereunder and that is

(a) (i) a body corporate that is, by virtue of the law of a Relevant Territory, resident for the purposes of tax in that Relevant Territory and the Relevant Territory concerned imposes a tax that generally applies to interest receivable in that territory by companies from sources outside the Relevant Territory, or (ii) a body corporate where such interest payable is exempted from the charge to Irish income tax under arrangements for relief from double taxation which have the force of law by virtue of Section 826(1) of the Taxes Consolidation Act 1997 of Ireland, or would be exempted from the charge to Irish income tax if arrangements made, on or before the date of payment of the interest, for relief from double taxation that do not have the force of law by virtue of Section

826(1) of the Taxes Consolidation Act 1997 of Ireland, had the force of law (by virtue of Section 826(1) of the Taxes Consolidation Act 1997 of Ireland) when such interest is paid; provided that, in each case, such interest is not paid to that body corporate in connection with a trade or business carried on in Ireland by that body corporate through a branch or agency;

(b) a corporation organized under the laws of the U.S. or any state thereof and subject to tax in the U.S. on its worldwide income; provided that such interest is not paid in connection with a trade or business carried on in Ireland by that corporation through a branch or agency;

(c) a U.S. limited liability company; provided that the ultimate recipients of such interest would be Qualifying Lenders within paragraph (a) and/or (b) of this definition if they were Lenders and the business conducted through such U.S. limited liability company is so structured for market reasons and not for tax avoidance reasons; provided further that such interest is not paid in connection with a trade or business carried on in Ireland by that limited liability company through a branch or agency;

(d) licensed, pursuant to section 9 of the Central Bank Act 1971 of Ireland to carry on banking business in Ireland and whose lending office is located in Ireland and which is carrying on a bona fide banking business in Ireland for the purposes of section 246(3) of the Taxes Consolidation Act 1997 of Ireland;

(e) an authorised credit institution under the terms of Directive 2006/48/EC that has duly established a branch in Ireland having made all necessary notifications to its home state competent authorities required thereunder in relation to its intention to carry on banking business in Ireland and carries on a bona fide banking business in Ireland for the purposes of Section 246(3)(a) of the Taxes Consolidation Act 1997 of Ireland and has its lending office located in Ireland;

(f) a body corporate which advances money in the ordinary course of a trade which includes the lending of money; provided that such interest, if paid in Ireland, is taken into account in computing the trading income of such Lender and such Lender has complied with (and continues to comply with) the notification requirements under section 246(5) of the Taxes Consolidation Act 1997 of Ireland;

(g) a qualifying company within the meaning of Section 110 of the Taxes Consolidation Act 1997 of Ireland; provided that such interest is paid in Ireland; or

(h) an investment undertaking within the meaning of section 739B of the Taxes Consolidation Act 1997 of Ireland; provided that such interest is paid in Ireland.

"Rating Organizations" means the following nationally recognized rating organizations: Moody's Investors Service, Inc., S&P Global Ratings, a division of S&P Global Inc., and Fitch Ratings, Inc.

"Recipient" means the Administrative Agent or any Lender.

"Register" has the meaning set forth in Section 11.11(a).

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person's Affiliates.

"Relevant Territory" means a member state of the European Union (other than Ireland), or a territory with the government of which Ireland has made arrangements for relief from double taxation which have the force of law by virtue of Section 826(1) of the Taxes Consolidation Act 1997 of Ireland, or a territory with the government of which Ireland has made arrangements for relief from double taxation which, upon completion of procedures set out in Section 826(1) of the Taxes Consolidation Act 1997 of Ireland will have the force of law.

"Replaced Lender" has the meaning set forth in Section 12.19(b)(iii).

"Reportable Event" means an event described in Section 4043(c) of ERISA with respect to a Plan other than those events as to which the 30-day notice period is waived under subsection .22, .23, .25, .27 or .28 of PBGC Regulation Section 4043.

"Requested Increase Amount" has the meaning set forth in Section 4.4(a)(i).

"Requested Increase Date" has the meaning set forth in Section 4.4(a)(i).

"Required Lenders" means Non-Defaulting Lenders having an aggregate Percentage of more than 50%; provided, that, the Committed Loans and Commitments of any Defaulting Lender shall be excluded from the determination of Required Lenders.

"Sanctioned Person" means, at any time, (a) any Person listed in any Sanctions-related list of specially designated nationals or designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of Treasury, the U.S. State Department, the U.S. Department of Commerce, the U.S. Department of the Treasury, the United Nations Security Council, the European Union or Her Majesty's Treasury of the United Kingdom, or (b) any Person controlled by such a Person.

"Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the United States government, including those administered by the Office of Foreign Assets Control of the U.S. Department of Treasury, the U.S. State Department, the U.S. Department of Commerce or the U.S. Department of the Treasury, or (b) the United Nations Security Council, the European Union or Her Majesty's Treasury of the United Kingdom.

"Screen Rate" has the meaning set forth in the definition of "Base LIBOR".

"Securities Act" means the United States Securities Act of 1933.

"Securitization Assets" means the accounts receivable, lease, royalty or other revenue streams and other rights to payment and all related assets (including contract rights, books and records, all collateral securing any and all of the foregoing, all contracts and all

guarantees or other obligations in respect of any and all of the foregoing and other assets that are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions involving any and all of the foregoing) and the proceeds thereof in each case pursuant to a Securitization Financing.

"Securitization Financing" means one or more transactions or series of transactions that may be entered into by the Company and/or any Subsidiary pursuant to which the Company or any Subsidiary may sell, convey or otherwise transfer Securitization Assets to (a) a Securitization Subsidiary (in the case of a transfer by the Company or any of the Subsidiaries that is not a Securitization Subsidiary) or (b) any other Person (in the case of a transfer by a Securitization Subsidiary), or may grant a security interest in, any Securitization Assets of the Company or any Subsidiary.

"Securitization Subsidiary" means a Subsidiary (or another Person formed for the purposes of engaging in a Qualified Securitization Financing in which the Company or any Subsidiary makes an investment and to which the Company or any Subsidiary transfers Securitization Assets and related assets) that engages in no activities other than in connection with the financing of Securitization Assets of the Company or a Subsidiary, all proceeds thereof and all rights (contingent and other), collateral and other assets relating thereto, and any business or activities incidental or related to such business, and which is designated by the Board of Directors of the Company or such other Person (as provided below) as a Securitization Subsidiary and (a) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (i) is guaranteed by the Company or any Subsidiary, other than another Securitization Subsidiary (excluding guarantees of obligations pursuant to Standard Securitization Undertakings), (ii) is recourse to or obligates the Company or any Subsidiary, other than another Securitization Subsidiary, in any way other than pursuant to Standard Securitization Undertakings or (iii) subjects any property or asset of the Company or any Subsidiary, other than another Securitization Subsidiary, directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings

and (b) to which none of the Company or any other Subsidiary, other than another Securitization Subsidiary, has any obligation to maintain or preserve such entity's financial condition or cause such entity to achieve certain levels of operating results. Any such designation by the Board of Directors of the Company or such other Person shall be evidenced by a resolution of the Board of Directors of the Company or such other Person giving effect to such designation.

"Shareholder's Equity" means, as of any date of determination for the Company and its Subsidiaries on a consolidated basis, (a) shareholders' equity (including (i) capital stock, (ii) additional paid-in capital, (iii) the amount that is (x) the aggregate amount outstanding of Hybrid Capital Securities multiplied by (y) the Hybrid Capital Securities Percentage, and (iv) retained earnings after deducting treasury stock) as of such date determined in accordance with GAAP, plus (b) to the extent not otherwise included in shareholders' equity of the Company, any outstanding market auction preferred stock of ILFC.

"Significant Subsidiary" means (i) any Obligor that is a Subsidiary of the Company and (ii) any other Subsidiary which is so defined pursuant to Rule 1-02 of Regulation S-X promulgated by the Securities and Exchange Commission.

"SPV" has the meaning set forth in Section 12.4.2.

"Standard Securitization Undertakings" means representations, warranties, covenants and indemnities entered into by the Company or any of its Subsidiaries that are customary for a seller or servicer of assets in a Securitization Financing.

"Subsidiary" means any Person of which or in which the Company and its other Subsidiaries own directly or indirectly 50% or more of:

(a) the combined voting power of all classes of stock having general voting power under ordinary circumstances to elect a majority of the board of directors of such Person, if it is a corporation,

(b) the capital interest or profits interest of such Person, if it is a partnership, limited liability company, joint venture or similar entity, or

(c) the beneficial interest of such Person, if it is a trust, association or other unincorporated organization.

"Subsidiary Guarantor" means each of the Subsidiaries of the Company identified under the caption "GUARANTORS" on the signature pages hereto and each Subsidiary of the Company that becomes a "Subsidiary Guarantor" after the date hereof pursuant to Section 8.19.

"Successor Lender" has the meaning set forth in Section 12.9(c).

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Terminating Lender" has the meaning set forth in Section 12.9(c).

"Termination Date" means, with respect to any Lender, the earliest to occur of (i) the date that is the fourth anniversary of the Closing Date or such later date as may be agreed to by such Lender pursuant to Section 12.9(a), or if such day is not a Business Day, the next preceding Business Day, (ii) the date on which the Commitments shall terminate pursuant to Section 10.2 or the Commitments shall be reduced to zero pursuant to Section 4.1 and (iii) the date specified as such Lender's Termination Date pursuant to Section 12.9(b), or, if such day is not a Business Day, the next preceding Business Day; in all cases, subject to the provisions of Section 12.9(d).

"Type" has the meaning set forth in the definition of "Committed Loan".

"Unencumbered Assets" means, as of the date of any determination, the sum, without duplication, of (a) the difference between (i) the book value (determined in accordance with GAAP) on such date of determination of the Aircraft Assets owned by the Company and its Subsidiaries and (ii) the aggregate outstanding principal amount on such date of determination of Financial Indebtedness of the Company and its Subsidiaries secured by Liens over such Aircraft Assets or the Equity Interests of the Subsidiary owning such Aircraft Assets, and (b) the lesser of

(i) $2,000,000,000 and (ii) the aggregate amount of "cash and cash equivalents" or any line item of similar import (but in any event, excluding "restricted cash" or any line item of similar import and excluding "cash and cash equivalents" or any line item of similar import subject to any Lien (other than (x) Liens arising by operation of law and (y) bankers' Liens arising in the ordinary course of business)) reflected on a consolidated balance sheet of the Company prepared as of such date of determination in accordance with GAAP.

"Unmatured Event of Default" means any event which if it continues uncured will, with lapse of time or notice or lapse of time and notice, constitute an Event of Default.

"USA PATRIOT Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001.

"Voting Stock" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"Wholly-owned Subsidiary" means any Person of which or in which the Company and its other Wholly-owned Subsidiaries own directly or indirectly 100% of:

(a) the issued and outstanding shares of stock (except shares required as directors' qualifying shares),

(b) the capital interest or profits interest of such Person, if it is a partnership, limited liability company, joint venture or similar entity, or

(c) the beneficial interest of such Person, if it is a trust, association or other unincorporated organization.

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

SECTION 2. COMMITTED LOANS AND COMMITTED NOTES

Section 2.1. Agreement to Make Committed Loans. On the terms and subject to the conditions of this Agreement, each Lender, severally and for itself alone, agrees to make loans (herein collectively called "Committed Loans" and individually each called a "Committed Loan") on a revolving basis from time to time from the Closing Date until such Lender's Termination Date in such Lender's Percentage of such aggregate amounts as the Borrower may from time to time request as provided in Section 2.2; provided, that, (a) the aggregate principal amount of all outstanding Committed Loans of any Lender shall not at any time exceed the amount set forth opposite such Lender's name on Schedule I (as reduced in accordance with Section 4.1, Section 12.4 or Section 12.9), (b) the aggregate principal amount of all outstanding Committed Loans of all Lenders shall not at any time exceed the then Aggregate Commitment, and (c) at no time shall there be more than 15 Committed Loans outstanding. Within the limits of this Section 2.1, the Borrower may from time to time borrow, prepay and reborrow Committed Loans on the terms and conditions set forth in this Agreement.

Section 2.2. Procedure for Committed Loans.

(a) Committed Loan Requests. The Borrower shall give the Agent irrevocable telephonic notice at the Notice Office (promptly confirmed in writing on the same day), not later than 10:30 a.m., New York City time, (i) at least three Business Days prior to the Funding Date in the case of LIBOR Rate Loans or (ii) at least one business day prior to the Funding Date in the case of Base Rate Loans, of each requested Committed Loan, and the Agent shall promptly advise each Lender thereof. Each such notice to the Agent (a "Committed Loan Request") shall be substantially in the form of Exhibit A and shall specify (i) the Funding Date (which shall be a Business Day), (ii) the aggregate amount of the Committed Loans requested (in an amount permitted under clause (b) below), (iii) whether each Committed Loan shall be a LIBOR Rate Loan or a Base Rate Loan and (iv) if a LIBOR Rate Loan, the Loan Period therefor (subject to the limitations set forth in the definition of Loan Period). After giving effect to all Committed Loans, all Conversions of Committed Loans from one Type to the other and all Continuations of LIBOR Rate Loans, there shall not be more than ten Loan Periods in effect with respect to Committed Loans.

(b) Amount and Increments of Committed Loans. Each Committed Loan Request shall contemplate Committed Loans in a minimum aggregate amount of $10,000,000 or a higher integral multiple of $1,000,000, not to exceed in the aggregate (for all requested Committed Loans) the excess of the then Aggregate Commitment over the aggregate principal amount of all outstanding Committed Loans, calculated as of the relevant Funding Date.

(c) Funding of Committed Loans.

(i) Not later than 12:30 p.m., New York City time, on the Funding Date of a Committed Loan, each Lender shall, subject to this Section 2.2(c), provide the Agent at its Notice Office with immediately available funds covering such Lender's Committed Loan and the Agent shall pay over such funds to the Borrower not later than 2:00 p.m., New York City time, on such day if the Agent shall have received the documents required under Section 9 with respect to such Committed Loan and the other conditions precedent to the making of such Committed Loan shall have been satisfied not later than 10:00 a.m., New York City time, on such day. If the Agent does not receive such documents or such other conditions precedent have not been satisfied prior to such time, then (A) the Agent shall not pay over such funds to the Borrower, (B) the Borrower's Committed Loan Request related to such Committed Loan shall be deemed cancelled in its entirety, (C) in the case of Committed Loan Requests relative to LIBOR Rate Loans, the Borrower shall be liable to each Lender in accordance with Section 6.4 and (D) the Agent shall return the amount previously provided to the Agent by each Lender on the next following Business Day.

(ii) The Borrower agrees, notwithstanding its previous delivery of any documents required under Section 9 with respect to a particular Committed Loan, immediately to notify the Agent of any failure by it to satisfy the conditions precedent to the making of such Committed Loan. The Agent shall be entitled to assume, after it has received each of the documents required under

Section 9 with respect to a particular Committed Loan, that each of the conditions precedent to the making of such Committed Loan has been satisfied absent actual knowledge to the contrary received by the Agent prior to the time of the receipt of such

documents. Unless the Agent shall have notified the Lenders prior to 10:30 a.m., New York City time, on the Funding Date of any Committed Loan that the Agent has actual knowledge that the conditions precedent to the making of such Committed Loan have not been satisfied, the Lenders shall be entitled to assume that such conditions precedent have been satisfied.

(d) Repayment of Committed Loans. If any Lender is to make a Committed Loan hereunder on a day on which the Borrower is to repay (or has elected to prepay, pursuant to Section 4.2) all or any part of any outstanding Committed Loan held by such Lender, the proceeds of such new Committed Loan shall be applied to make such repayment and only an amount equal to the positive difference, if any, between the amount being borrowed and the amount being repaid shall be requested by the Agent to be made available by such Lender to the Agent as provided in Section 2.2(c).

Section 2.3. Maturity of Committed Loans. Except for a Base Rate Loan, which shall mature on the Termination Date, a Committed Loan made by a Lender shall mature on the last day of the Loan Period applicable to such Committed Loan, but in no event later than the Termination Date for such Lender; provided, that, a LIBOR Rate Loan that would otherwise mature at the end of a Loan Period may instead be Converted to a Base Rate Loan or Continued as a LIBOR Rate Loan for a new Loan Period pursuant to Section 2.4 or become a Base Rate Loan at the end of such Loan Period pursuant to Section 3.1(b).

Section 2.4. Optional Conversion or Continuation of Committed Loans. The Borrower may on any Business Day, upon notice given to the Agent not later than 11:00 a.m. (New York City time) on the third Business Day prior to the date of the proposed Conversion or Continuation and subject to the provisions of Sections 3.1, Convert all Committed Loans of one Type comprising the same borrowing hereunder into Committed Loans of the other Type or Continue all LIBOR Rate Loans comprising the same borrowing hereunder for a new Loan Period; provided, however, that any Conversion of LIBOR Rate Loans into Base Rate Loans and any Continuation of LIBOR Rate Loans for a new Loan Period shall be made only (x) on the last day of a Loan Period for such LIBOR Rate Loans or (y) on any day other than the last day of a Loan Period for such LIBOR Rate Loans so long as the Borrower pays the amounts payable pursuant to Section 6.4(a), any Conversion of Base Rate Loans into LIBOR Rate Loans or Continuation of LIBOR Rate Loans shall be in an amount not less than the minimum amount specified in Section 2.2(b) and no Conversion or Continuation of any Committed Loans shall result in more separate Committed Loans than permitted under Section 2.2(a); provided, further, that upon the occurrence and during the continuance of any Event of Default no Conversion of Base Rate Loans into LIBOR Rate Loans or Continuation of LIBOR Rate Loans for a new Loan Period shall be permitted. Each such notice of a Conversion or Continuation shall, within the restrictions specified above, specify (i) the date of such Conversion or Continuation, (ii) the Committed Loans to be Converted or Continued, and (iii) if such Conversion is into LIBOR Rate Loans or if such notice is of a Continuation of LIBOR Rate Loans, the duration of the initial (or Continued) Loan Period for each such Committed Loan. Each notice of Conversion or Continuation shall be irrevocable and binding on the Borrower.

SECTION 3. INTEREST AND FEES

Section 3.1. Interest Rates. The Borrower hereby promises to pay interest on the unpaid principal amount of each Committed Loan for the period commencing on the Funding Date for such Committed Loan until such Committed Loan is paid in full, as follows:

(a) if such Committed Loan is a Base Rate Loan, at a rate per annum equal to the Base Rate from time to time in effect; provided, however, that upon the occurrence and during the continuance of any Event of Default, such Committed Loan that is a Base Rate Loan shall bear interest on the unpaid principal amount thereof at a rate per annum (calculated on the basis of a 365-day year for the actual number of days elapsed) equal to the Base Rate from time to time in effect plus 2% per annum; and

(b) if such Committed Loan is a LIBOR Rate Loan, at a rate per annum equal to the LIBOR Rate applicable to the Loan Period for such Loan; provided, however, that upon the occurrence and during the continuance of any Event of Default, such Committed Loan that is a LIBOR Rate Loan shall, at the end of the applicable Loan Period then in effect, bear interest on the unpaid principal amount thereof at a rate per annum (calculated on the basis of a 360-day year for the actual number of days involved) equal to the Base Rate from time to time in effect (but not less than the interest rate in effect for such Committed Loan immediately prior to maturity of such Committed Loan) plus 2% per annum.

Section 3.2. Interest Payment Dates. Except for Base Rate Loans, as to which accrued interest shall be payable on the last day of each calendar quarter and on the Termination Date, accrued interest on each Committed Loan shall be payable in arrears on the last day of the one, two or three month, as applicable, Loan Period therefor and with respect to each LIBOR Rate Loan with a Loan Period of six months, on the day that is three months after the first day of such Loan Period (or, if there is no day in such third month numerically corresponding to such first day of the Loan Period, on the last Business Day of such month). Upon the occurrence and during the continuance of any Event of Default, accrued interest on any Committed Loan shall be payable on demand. If any interest payment date falls on a day that is not a Business Day, such interest payment date shall be postponed to the next succeeding Business Day and the interest paid shall cover the period of postponement (except that if the Committed Loan is a LIBOR Rate Loan and the next succeeding Business Day falls in the next succeeding calendar month, such interest payment date shall be the immediately preceding Business Day).

Section 3.3. Setting and Notice of Committed Loan Rates.

(a) The applicable interest rate for each Committed Loan hereunder shall be determined by the Agent in accordance with this Agreement and notice thereof shall be given by the Agent promptly to the Borrower and to each Lender. Each determination of the applicable interest rate by the Agent shall be conclusive and binding upon the parties hereto in the absence of demonstrable error.

(b) In the case of LIBOR Rate Loans, if as to any Loan Period the Screen Rate is not available and the substitute or successor pages or screens are also unavailable, then (i) the Agent shall promptly notify the other parties thereof and (ii) at the option of the Borrower the Committed Loan Request delivered by the Borrower pursuant to Section 2.2(a) with respect to such Funding Date shall be cancelled or shall be deemed to have specified a Base Rate Loan. For the avoidance of doubt, in the circumstances described in the immediately preceding sentence, the obligation of the Lenders to make or Continue LIBOR Rate Loans or to Convert Base Rate Loans into LIBOR Rate Loans shall be suspended until the Agent shall notify the Company and the Lenders that the circumstances causing such suspension no longer exist (which notice shall be provided by the Agent promptly upon such circumstances ceasing to exist).

(c) The Agent shall, upon written request of the Borrower or any Lender, deliver to the Borrower or such Lender a statement showing the computations used by the Agent in determining the interest rate applicable to any LIBOR Rate Loan.

Section 3.4. Commitment Fee. The Borrower agrees to pay to the Agent for the accounts of the Lenders pro rata in accordance with their respective Percentages an annual commitment fee computed by multiplying the average daily amount of the unused Aggregate Commitment by the applicable percentage determined with respect to such commitment fee in accordance with Schedule II hereto. Such fee shall commence accruing on the Closing Date and shall be payable quarterly in arrears on the last Business Day of March, June, September and December of each year (beginning with the last Business Day of the first full calendar quarter ending after the Closing Date) until the Commitments have expired or have been terminated and on the date of such expiration or termination (and, in the case of any Terminating Lender, such Lender's Termination Date), in each case for the period then ending for which such commitment fee has not previously been paid; provided, that, no Defaulting Lender shall be entitled to receive any commitment fee in respect of its Commitment for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay such fee that otherwise would have been required to have been paid to that Defaulting Lender).

Section 3.5. Agent's Fees. The Borrower agrees promptly to pay to the Agent such fees as may be agreed from time to time by the Borrower, the Company and the Agent.

Section 3.6. Computation of Interest and Fees. All interest and commitment fees hereunder shall be computed for the actual number of days elapsed on the basis of a 360-day year; provided that, for any period when the Base Rate is determined based on clause (b) of the definition of Base Rate, all interest accruing at the Base Rate for such period shall be computed for the actual number of days elapsed on the basis of a 365/366 day year. The interest rate applicable to each LIBOR Rate Loan and Base Rate Loan shall change simultaneously with each change in the LIBOR Rate or the Base Rate, as applicable.

SECTION 4. REDUCTION OR TERMINATION OF THE COMMITMENTS; REPAYMENT; PREPAYMENTS; INCREASE OF COMMITMENTS

Section 4.1. Voluntary Termination or Reduction of the Commitments.

(a) The Borrower may at any time on at least 3 Business Days' prior notice received by the Agent (which shall promptly on the same day or on the next Business Day advise each Lender thereof) permanently reduce the amount of the Commitments (such reduction to be pro rata among the Lenders according to their respective Percentages) to an amount not less than the aggregate principal amount of all outstanding Committed Loans. Any such reduction shall be in the amount of $5,000,000 or an integral multiple of $1,000,000 in excess thereof. Concurrently with any such reduction, the Borrower shall prepay the principal of any Committed Loans outstanding to the extent that the aggregate amount of such Committed Loans outstanding shall then exceed the Aggregate Commitment, as so reduced. The Borrower may from time to time on like notice terminate the Commitments upon payment in full of all Committed Loans, all interest accrued thereon, all fees and all other obligations of the Borrower hereunder. Any notice of reduction or termination in full of the Commitments hereunder may state that such notice is conditioned upon the effectiveness of other credit facilities or capital raising, in which case such notice may be revoked by the Borrower (by notice to the Agent on or prior to the specified effective date) if such condition is not satisfied.

(b) Termination of Defaulting Lender. The Borrower shall be entitled at any time to (i) terminate the unused Commitment of any Lender that is a Defaulting Lender (the "Defaulted Commitments") upon prior notice of not less than one Business Day to the Agent (which shall promptly notify the Lenders thereof), and/or (ii) replace all of the Commitments or the Defaulted Commitments of any Lender that is a Defaulting Lender with Commitments of a Successor Lender, provided, that, (x) each such assignment shall be either an assignment of all of the rights and obligations of the Defaulting Lender under this Agreement or an assignment of a portion of such rights and obligations made concurrently with another such assignment or other such assignments that together cover all of the rights and obligations of the Defaulting Lender under this Agreement with respect to all of the Commitments or the Defaulted Commitments, as the case may be, and (y) concurrently with such assignment, either the Borrower or one or more

Successor Lenders shall pay for the account of such Defaulting Lender an aggregate amount at least equal to the aggregate outstanding principal amount of the Committed Loans owing to such Defaulting Lender, together with accrued interest thereon to the date of payment of such principal amount and all other amounts payable to such Defaulting Lender under this Agreement. In either such event, the provisions of Section 4.3 shall apply to all amounts thereafter paid by the Borrower or such Successor Lender for the account of such Defaulting Lender under this Agreement (whether on account of principal, interest, commitment fees or other amounts), provided, that, such termination or assignment shall not be deemed to be a waiver or release of any claim the Borrower, the Agent, or any Lender may have against such Defaulting Lender.

Section 4.2. Voluntary Prepayments. The Borrower may voluntarily prepay Committed Loans without premium or penalty, except as may be required pursuant to subsection (d) below, in whole or in part; provided, that, (a) each prepayment shall be in an aggregate principal amount of $5,000,000 or an integral multiple of $1,000,000 in excess thereof,

(b) the Borrower shall give the Agent at its Notice Office (which shall promptly advise each Lender), not later than 10:30 a.m., New York City time, (i) at least two Business Days' prior notice thereof for prepayments of LIBOR Rate Loans or (ii) same day notice thereof for prepayments of Base Rate Loans, specifying the Committed Loans to be prepaid and the date and amount of prepayment, (c) any prepayment of principal of any Committed Loan shall include accrued interest to the date of prepayment on the principal amount being prepaid and (d) any prepayment of a LIBOR Rate Loan shall be subject to the provisions of Section 6.4. Any notice of prepayment in full of all Committed Loans hereunder or reduction of Commitments in full may state that such notice is conditioned upon the effectiveness of other credit facilities or capital raising, in which case such notice may be revoked by the Borrower (by notice to the Agent on or prior to the specified effective date) if such condition is not satisfied.

Section 4.3. Defaulting Lenders.

(a) No Commitment of any Lender shall be increased or otherwise affected, and, except as otherwise expressly provided in this Section 4.3 or otherwise specifically provided herein, performance by the Borrower of its obligations shall not be excused or otherwise modified as a result of the operation of this Section 4.3. The rights and remedies against a Defaulting Lender under this Section 4.3 are in addition to any other rights and remedies which the Borrower, the Agent or any Lender may have against such Defaulting Lender.

(b) If the Borrower and the Agent agree in writing in their reasonable determination that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase at par that portion of outstanding Commitments of the other Lenders or take such other actions as the Agent may determine to be necessary to cause the Commitments to be held on a pro rata basis by the Lenders in accordance with their respective Percentages, whereupon such Lender will cease to be a Defaulting Lender; provided, that, no adjustments will be made retroactively or with duplication with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender.

(c) Notwithstanding anything to the contrary contained in this Agreement, any payment of principal, interest, commitment fees or other amounts received by the Agent for the account of any Defaulting Lender under this Agreement (whether voluntary or mandatory, at maturity or otherwise) shall be applied at such time or times as may be determined by the Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Agent hereunder; second, as the Borrower may request (so long as no Event of Default shall have occurred and be continuing), to the funding of any Committed Loan in respect of which that Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Agent; third, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; fourth, so long as no Event of Default shall have occurred and be continuing, to the

payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and fifth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided, that, if (x) such payment is a payment of the principal amount of any Committed Loan in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Committed Loans were made at a time when the applicable conditions set forth in Section 9 were satisfied or waived, such payment shall be applied solely to pay the Committed Loans of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Committed Loans of such Defaulting Lender and provided, further, that any amounts held as cash collateral for funding obligations of a Defaulting Lender shall be returned to such Defaulting Lender upon the termination of this Agreement and the satisfaction of such Defaulting Lender's obligations hereunder. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section 4.3 shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

Section 4.4. Increase of Commitments.

(a) The Borrower shall have the right at any time after the Closing Date to increase the aggregate Commitments

hereunder in accordance with the following provisions and subject to the following conditions:

(i) The Borrower shall give the Administrative Agent, which shall promptly deliver a copy thereof to each of the Lenders, at least 10 Business Days' (or such lesser period as the Administrative Agent may reasonably agree) prior written notice (a "Notice of Increase") of any such requested increase specifying the aggregate amount by which the Commitments are to be increased (the "Requested Increase Amount"), which shall be at least $5,000,000 and in increments of $1,000,000 thereafter, and the requested date of increase (the "Requested Increase Date"). The Borrower may, but shall not be obligated to, offer to any Lender the right to provide all or any portion of the Requested Increase Amount. No Lender shall have any obligation whatsoever to offer to increase its Commitment by an amount specified by the Borrower or otherwise. Any Lender that so offers to increase its Commitment, which increase is accepted by the Borrower, is herein called an "Increasing Lender".

(ii) If the aggregate amount of the increases offered and accepted pursuant to clause (i) above, if any, is less than the Requested Increase Amount, the Borrower may, through the Administrative Agent, offer the balance of the Requested Increase Amount to one or more Eligible Assignees; provided that the Commitment to be acquired hereunder by any such Eligible Assignee shall not be less than $1,000,000. Any such Eligible Assignee that agrees to acquire a Commitment pursuant hereto is herein called an "Additional Lender".

(iii) Effective on the Requested Increase Date, subject to the terms and conditions hereof, (x) Schedule I shall be deemed amended to reflect the increases contemplated hereby, (y) the Commitment of each Increasing Lender shall be increased by the amount agreed by such Increasing Lender and the Borrower, and (z) each Additional Lender shall enter into an agreement in form and substance reasonably satisfactory to the Borrower and the Administrative

Agent pursuant to which it shall undertake, as of such Requested Increase Date, a new Commitment in the amount determined pursuant to clause (ii) above, and such Additional Lender shall thereupon be deemed to be a Lender for all purposes of this Agreement.

(iv) If on the Requested Increase Date there are borrowings of Committed Loans outstanding hereunder, appropriate adjustments shall be made (by the making of borrowings of Committed Loans by the Increasing Lenders and the Additional Lenders and/or the prepayment of outstanding borrowings of Committed Loans) as necessary to cause the outstanding borrowings of Committed Loans to be held ratably by all Lenders.

(b) Anything in this Section 4.4 to the contrary notwithstanding, no increase in the aggregate Commitments hereunder pursuant to this Section shall be effective unless:

(i) on the relevant Requested Increase Date and after giving effect to such increase, (x) no Default under Section 10.1.1 or 10.1.3 or Event of Default shall have occurred and be continuing and (y) the representations and warranties contained in Section 7 (other than those contained in Section 7.5) shall be true and correct in all material respects as of the Requested Increase Date and after giving effect thereto, with the same effect as though made on the Requested Increase Date, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date; and

(ii) after giving effect to any such increase the aggregate amount of the Commitments shall not exceed $4,000,000,000.

SECTION 5. MAKING AND PRORATION OF PAYMENTS; SET-OFF; TAXES

Section 5.1. Making of Payments. Except as provided in Section 2.2(d), payments (including those made pursuant to Section 4.1) of principal of, or interest on, the Committed Loans and all payments of fees and any other payments required to be made by the Borrower to the Agent hereunder shall be made by the Borrower to the Agent in immediately available funds at its Payment Office not later than 12:00 Noon, New York City time, on the date due; and funds received after that hour shall be deemed to have been received by the Agent on the next following Business Day. Subject to Sections 3.4 and 4.3, the Agent shall promptly remit to each Lender its share (if any) of each such payment. All payments under Section 6 and all payments required to be made hereunder to any Person other than the Agent shall be made by the Borrower when due directly to the Persons entitled thereto in immediately available funds.

Section 5.2. Pro Rata Treatment; Sharing.

(a) Except as required pursuant to Section 3.4, Section 4.3, Section 6 or Section 12.9, each payment or prepayment of principal of any Committed Loans, each payment of interest on the Committed Loans and each payment of the commitment fee shall be allocated pro rata among the Lenders in accordance with their respective Percentages.

(b) If any Lender or other holder of a Committed Loan shall obtain any payment or other recovery (whether voluntary, involuntary, by application of offset or otherwise)

on account of principal of, interest on or fees or other amounts with respect to any Committed Loan in excess of the share of payments and other recoveries (exclusive of payments or recoveries under Section 6 or pursuant to Section 12.9) such Lender or other holder would

have received if such payment had been distributed pursuant to the provisions of Section 5.2(a), such Lender or other holder shall purchase from the other Lenders or holders, in a manner to be specified by the Agent, such participations in the Committed Loans held by them as shall be necessary so that all such payments of principal and interest with respect to the Committed Loans shall be shared by the Lenders and other holders pro rata in accordance with their respective Percentages; provided, however, that if all or any portion of the excess payment or other recovery is thereafter recovered from such purchasing Lender or holder, the purchase shall be rescinded and the purchase price restored to the extent of such recovery, but without interest.

Section 5.3. Set-off. Each Obligor agrees that the Agent, each Lender and any of their respective branches or agencies, to the extent permitted by applicable law, has all rights of set-off and banker's lien provided by applicable law, and each Obligor further agrees that at any time, (i) any amount owing by any Obligor under this Agreement is due to any such Person or (ii) any Event of Default exists, each such Person, to the extent permitted by applicable law, may apply to the payment of any amount payable hereunder any and all balances, credits, deposits, accounts or moneys of such Obligor then or thereafter with such Person.

Section 5.4. Taxes. (a) Payments Free of Taxes. Any and all payments by or on account of any obligation of any Obligor under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by a withholding agent, then the applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Obligor shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by the Borrower. The Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) Evidence of Payment. As soon as practicable after any payment of Taxes by any Obligor to a Governmental Authority pursuant to this Section, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(d) Indemnification by the Borrower. The Borrower shall indemnify each Recipient, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section, but without duplication of increased amounts the Borrower has paid in respect of

Taxes pursuant to Section 5.4(a)) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(e) Indemnification by the Lenders. Each Lender shall severally indemnify the Administrative Agent within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so) and (ii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph.

(f) Status of Lenders. (i)(A) Each Lender shall certify in writing to the Borrower and the Administrative Agent on or before the date it becomes a Lender whether it is a Qualifying Lender and (B) any Lender that is entitled to benefit from an exemption from or reduction of withholding Tax with respect to payments made under this Agreement shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 5.4(f)(ii) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, if a payment made to a Lender under this Agreement would be subject to U.S. Federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA

(including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such

documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (ii), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(iii) Each Lender agrees (A) that if any form, certification or representation it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form, certification or representation or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so; and (B) if it no longer qualifies as a Qualifying Lender after the date it becomes a Lender, it will promptly notify the Borrower and the Administrative Agent in writing.

(g) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section (including by the payment of additional amounts pursuant to this Section), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph, in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) Indemnification of Borrower. Each Lender shall severally indemnify the Borrower within 10 Business Days after written demand with adequate supporting documentation for any Excluded Tax actually paid by the Borrower to a governmental entity solely and directly attributable to such Lender's failure to comply with Section 5.4(f)(i)(A) or Section 5.4(f)(iii)(B) as it relates to the certification provided in Section 5.4(f)(i)(A).

(i) Survival. Each party's obligations under this Section 5.4 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

SECTION 6. INCREASED COSTS AND SPECIAL PROVISIONS FOR LIBOR RATE LOANS

Section 6.1. Increased Costs. (a) If after the date hereof, the adoption of any applicable law, rule or regulation, or any change therein, or any change in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or the making or issuance of any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency and compliance by any Lender (or any Funding Office of such Lender) therewith, then, subject to the provisions of Section 5.4, which shall provide the sole source of additional amounts payable to any Lender with respect to the matters covered therein,

(A) shall subject any Lender (or any Funding Office of such Lender) to any Taxes with respect to its LIBOR Rate Loans (except for (i) Indemnified Taxes, (ii) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (iii) Connection Income Taxes);

(B) shall impose, modify or deem applicable any reserve (including any reserve imposed by the Board of Governors of the Federal Reserve System, but excluding any reserve included in the determination of interest pursuant to Section 3.1), special deposit, assessment (including any assessment for insurance of deposits) or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender (or any Funding Office of such Lender); or

(C) shall impose on any Lender (or any Funding Office of such Lender) any other condition affecting its LIBOR Rate Loans, its Committed Notes or its obligation to make or maintain LIBOR Rate Loans;

and the result of any of the foregoing is to increase the cost to (or to impose an additional cost on) such Lender (or any Funding Office of such Lender) of making, converting to, continuing or maintaining any LIBOR Rate Loan, or to reduce the amount of any sum received or receivable by such Lender (or such Lender's Funding Office) under this Agreement or under its Committed Notes with respect thereto, then within 10 days after demand by such Lender (which demand shall be accompanied by a statement setting forth the basis of such

demand), the Borrower shall pay directly to such Lender such additional amount or amounts as will compensate such Lender for such increased cost or such reduction (without duplication of any amounts which have been paid or reimbursed).

(b) If, after the date hereof, any Lender shall determine that the adoption, effectiveness or phase-in of any applicable law, rule, guideline or regulation regarding capital adequacy or liquidity requirements, or any change therein, or any change in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or the making or issuance of any request or directive regarding capital adequacy or liquidity requirements (whether or not having the force of law) of any such authority, central bank or comparable agency and compliance by any Lender (or any Funding Office of such Lender or such Lender's holding company) therewith, has or would have the effect of reducing the rate of return on the capital of such

Lender or such Lender's holding company as a consequence of its obligations hereunder to a level below that which such Lender or such Lender's holding company could have achieved but for such adoption, change or compliance (taking into consideration such Lender's or such Lender's holding company's policies with respect to capital adequacy or liquidity requirements), then, from time to time, within 10 days after demand by such Lender (which demand shall be accompanied by a statement setting forth the basis of such demand), the Borrower shall pay directly to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for such reduction.

(c) Each Lender shall promptly notify the Borrower and the Agent of any event of which it has knowledge, occurring after the date hereof, which will entitle such Lender to compensation pursuant to this Section 6.1 and will designate a different Funding Office if such designation will avoid the need for, or reduce the amount of, such compensation and will not, in such Lender's sole judgment, be otherwise disadvantageous to such Lender. The Borrower shall not be required to compensate a Lender pursuant to this Section 6.1 for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender notifies the Borrower of the change in law or other event occurring after the date hereof giving rise to such increased costs or reductions, and of such Lender's intention to claim compensation therefor (except that, if the change in law or other such event is retroactive, then the nine month period referred to above shall be extended to include the period of retroactive effect thereof).

(d) Notwithstanding anything to the contrary herein, it is understood and agreed that any changes resulting from requests, rules, guidelines or directives (x) issued in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act or (y) promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III) shall, for the purposes of this Agreement, be deemed to be adopted subsequent to the date hereof; provided, however, that no Lender shall be entitled to receive any compensation or reimbursement hereunder with respect to any such changes unless such requirements are generally applicable to (and for which reimbursement is generally being sought by the applicable Lender in respect of) credit transactions similar to this transaction from borrowers similarly situated to the Borrower; provided, further, that no Lender shall be required to disclose any confidential or proprietary information in connection therewith.

Section 6.2. Basis for Determining Interest Rate Inadequate or Unfair. If with respect to the Loan Period for any LIBOR Rate Loan:

(a) the Screen Rate is not available and the substitute or successor pages or screens are also unavailable for such Loan Period, or the Agent otherwise determines (which determination shall be binding and conclusive on all parties) that, by reason of circumstances affecting the Base LIBOR market, adequate and reasonable means do not exist for ascertaining the applicable LIBOR Rate; or

(b) the Required Lenders advise the Agent that the LIBOR Rate as determined by the Agent will not adequately and fairly reflect the cost to such Required Lenders of maintaining or funding LIBOR Rate Loans for such Loan Period, or that the making or funding of LIBOR Rate Loans has become impracticable as a result of an event occurring

after the date of this Agreement which in such Required Lenders' opinion materially affects LIBOR Rate Loans,

then (i) the Agent shall promptly notify the other parties thereof and (ii) so long as such circumstances shall continue, no Lender shall be under any obligation to make or Continue any LIBOR Rate Loan or Convert any Base Rate Loan into a LIBOR Rate Loan.

Section 6.3. Changes in Law Rendering Certain Loans Unlawful. In the event that any change in (including the adoption of any new) applicable laws or regulations, or in the interpretation of applicable laws or regulations by any Governmental Authority or other regulatory body charged with the administration thereof, should make it (or in the good faith judgment of such Lender raise a substantial question as to whether it is) unlawful for a Lender to make, maintain or fund any LIBOR Rate Loan, then (a) such Lender shall promptly notify each of the other parties hereto, (b) upon the effectiveness of such event and so long as such unlawfulness shall continue, the obligation of such Lender to make or Continue LIBOR Rate Loans shall be suspended and any request by the Borrower for LIBOR Rate Loans shall, as to such Lender, be deemed to be a request for a Base Rate Loan, and (c) on the last day of the current Loan Period for such Lender's LIBOR Rate Loans (or, in any event, if such Lender so requests on such earlier date as may be required by the relevant law, regulation or interpretation) such Lender's Committed Loans which are LIBOR Rate Loans shall cease to be maintained as LIBOR Rate Loans and shall thereafter bear interest at a floating rate per annum equal to the Base Rate. If at any time the

event giving rise to such unlawfulness shall no longer exist, then such Lender shall promptly notify the Borrower and the Agent.

Section 6.4. Funding Losses. The Borrower hereby agrees that upon demand by any Lender (which demand shall be accompanied by a statement setting forth the basis for the calculations of the amount being claimed) the Borrower will indemnify such Lender against any net loss or expense which such Lender may sustain or incur (including any net loss or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund or maintain any LIBOR Rate Loan), as reasonably determined by such Lender, as a result of (a) any payment or mandatory or voluntary prepayment (including any payment pursuant to Section 6.3 or 12.9(b) or any payment resulting from acceleration) or Conversion or Continuation of any LIBOR Rate Loan of such Lender on a date other than the last day of the Loan Period for such Loan or (b) any failure of the Borrower to borrow any Committed Loans on the originally scheduled Funding Date specified therefor pursuant to this Agreement (including any failure to borrow resulting from any failure to satisfy the conditions precedent to such borrowing) or to Continue any LIBOR Rate Loans on the date specified therefor pursuant to this Agreement. For this purpose, all notices to the Agent pursuant to this Agreement shall be deemed to be irrevocable.

Section 6.5. Discretion of Lenders as to Manner of Funding. Notwithstanding any provision of this Agreement to the contrary (but subject to Section 6.1(c)), each Lender shall be entitled to fund and maintain its funding of all or any part of its Committed Loans in any manner it sees fit, it being understood, however, that for the purposes of this Agreement all determinations hereunder shall be made as if such Lender had actually funded and maintained each LIBOR Rate Loan during the Loan Period for such LIBOR Rate Loan through

the purchase of deposits having a maturity corresponding to such Loan Period and bearing an interest rate equal to the rate borne by such LIBOR Rate Loan for such Loan Period.

Section 6.6. Conclusiveness of Statements; Survival of Provisions. Determinations and statements of any Lender pursuant to this Section 6 shall be conclusive absent demonstrable error, and each Lender may use reasonable averaging and attribution methods in determining compensation pursuant to Section 6.1 or 6.4. The provisions of this Section 6 shall survive termination of this Agreement and payment of the Committed Loans.

SECTION 7. REPRESENTATIONS AND WARRANTIES

To induce the Lenders to enter into this Agreement and to make Committed Loans hereunder, each Obligor hereby makes the following representations and warranties to the Agent and the Lenders (a) as of the Closing Date, and (b) other than the representations and warranties in Section 7.5, as of each Funding Date, which representations and warranties shall survive the execution and delivery of this Agreement and the Committed Notes and the disbursement of the initial Committed Loans hereunder:

Section 7.1. Organization, etc. (a) The Company is duly organized, validly existing and in good standing, to the extent applicable, under the laws of the jurisdiction of its organization; (b) each corporate Significant Subsidiary is a company or corporation, as applicable, duly organized or incorporated, as applicable, validly existing and in good standing, to the extent applicable, under the laws of the jurisdiction of its incorporation; (c) each other Significant Subsidiary (if any) is an entity duly organized and validly existing under the laws of the jurisdiction of its organization; and (d) each of the Company and each Significant Subsidiary has the power to own its property and to carry on its business as now being conducted and is duly qualified and in good standing, to the extent applicable, as a foreign corporation or other entity authorized to do business in each jurisdiction where, because of the nature of its activities or properties, such qualification is required, except, in each of cases (a), (b), (c) and (d) above, where the failure to be so qualified or in good standing could not reasonably be expected to have a Material Adverse Effect.

Section 7.2. Authorization; Consents; No Conflict. The execution and delivery by (x) each Obligor party hereto of this Agreement and by the Borrower of the Committed Notes, the payment of any fees hereunder, the borrowings hereunder and the performance by each such Obligor of its obligations under this Agreement and by the Borrower of its obligations under the Committed Notes and (y) each Obligor of any Guarantee Assumption Agreement to which it is a party and the performance by each such Obligor of its obligations hereunder and thereunder (a) are within the corporate or similar powers of each such Obligor, (b) have been duly authorized by all necessary corporate or similar action on the part of each such Obligor, (c) have received all necessary approvals, authorizations, consents, registrations, notices, exemptions and licenses (if any shall be required) from Governmental Authorities and other Persons, except for any such approvals, authorizations, consents, registrations, notices, exemptions or licenses non-receipt of which could not reasonably be expected to have a Material Adverse Effect, (d) are, where it concerns an Obligor incorporated under the laws of the Netherlands, in such Obligor's corporate interest, (e) do not and will not contravene or conflict with any provision of (i) law, (ii) any judgment, decree or order to which such Obligor or any

Significant Subsidiary is a party or by which such Obligor or any Significant Subsidiary is bound, (iii) the charter, by-laws, memorandum and articles of association or other organizational documents of such Obligor or any Significant Subsidiary or (iv) any provision of any agreement or instrument binding on such Obligor or any Significant Subsidiary, or any agreement or instrument of which such Obligor is aware affecting the properties of such Obligor or any Significant Subsidiary, except with respect to (i), (ii) and (iv) above, for any such contravention or conflict which could not reasonably be expected to have a Material Adverse Effect, and (f) do not and will not result in or require the creation or imposition of any Lien on any of such Obligor's or its Significant Subsidiaries' properties.

Section 7.3. Validity and Binding Nature. (a) This Agreement is, each Guarantee Assumption Agreement when duly executed and delivered will be, and the Committed Notes (if any) when duly executed and delivered will be, legal, valid and binding obligations of each Obligor party thereto, enforceable against each such Obligor in accordance with their respective terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

(b) This Agreement is in proper legal form under the law of Ireland and each other jurisdiction under which any Obligor is incorporated or organized for the enforcement thereof against each Obligor under such law. All formalities required in Ireland and each other jurisdiction under which any Obligor is organized or incorporated for the validity and enforceability of this Agreement (including any necessary registration, recording or filing with any court or other authority in Ireland and each other jurisdiction under which any Obligor is organized or incorporated) have been accomplished, and no notarization is required, for the validity and enforceability thereof.

Section 7.4. Financial Statements. The Company's audited consolidated financial statements as at December 31, 2015, and unaudited consolidated financial statements as at September 30, 2016, a copy of each of which has been furnished to each Lender, have been prepared in conformity with GAAP applied on a basis consistent with that of the preceding fiscal year (other than as required or permitted by GAAP, subject, in the case of unaudited financial statements, to changes resulting from audit and year-end adjustments and fairly present the financial condition of the Company and its Subsidiaries as at such dates and the results of their operations for the applicable time periods then ended.

Section 7.5. Litigation. (a) As of the Closing Date, all Litigation Actions, taken as a whole, could not reasonably be expected to have a Material Adverse Effect.

(b) As of the Closing Date, there is no Litigation Action pending or, to the knowledge of the Company, threatened that could reasonably be expected to adversely affect the enforceability of the Loan Documents against the Obligors or the rights and remedies of the Agent or the Lenders thereunder.

Section 7.6. Employee Benefit Plans. Except as could not reasonably be expected to have a Material Adverse Effect, each employee benefit plan (as defined in Section 3(3) of ERISA) maintained or sponsored by the Company or any Subsidiary complies in

all material respects with all applicable requirements of law and regulations. During the term of this Agreement, (i) no steps have been taken to terminate any Plan and no contribution failure has occurred with respect to any Plan sufficient to give rise to a lien under Section 303(k) of ERISA, (ii) no Reportable Event has occurred with respect to any Plan, (iii) no determination has been made that any Plan is in "at risk" status (within the meaning of Section 303 of ERISA) and (iv) neither the Company nor any ERISA Affiliate has either withdrawn or instituted steps to withdraw from any Multiemployer Plan, except in any such case specified in clause (i), (ii), (iii) and (iv) above, for actions which individually or in the aggregate could not reasonably be expected to have a Material Adverse Effect. Except as could not reasonably be expected to have a Material Adverse Effect, no condition exists or event or transaction has occurred in connection with any Plan which could reasonably be expected to result in the incurrence by the Company or any Subsidiary of any material liability, fine or penalty (imposed by Section 4975 of the Code or Section 502(i) of ERISA or otherwise). Neither the Company nor any ERISA Affiliate is a member of, or contributes to, any Multiemployer Plan as to which the potential withdrawal liability based upon the most recent actuarial report could reasonably be expected to have a Material Adverse Effect. Except as could not reasonably be expected to have a Material Adverse Effect, neither the Company nor any Subsidiary has any contingent liability with respect to any post retirement benefit under an employee welfare benefit plan (as defined in Section 3(1) of ERISA), other than liability for continuation coverage described in Part 6 of Title I of ERISA.

Section 7.7. Investment Company Act. Neither the Company nor the Borrower is an "investment company" or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended.

Section 7.8. Regulation U. Neither the Company nor any Subsidiary is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of buying or carrying margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System as amended from time to time). No part of the proceeds of any Committed Loan will be used to buy or carry any margin stock. Following the application of the proceeds of each Committed Loan, not more than 25% of the value of the assets of any of the Company and its Subsidiaries shall consist of margin stock.

Section 7.9. Disclosure. As of the Closing Date, (a) all written information (including the Information Memorandum), other than Projections (as defined below), forward looking information and information of a general economic or industry specific nature that has been made available to the Administrative Agent, any Arranger or any Lender by the Company or any of its officers, directors, employees, accountants or attorneys or, at the direction of the Company, its other advisors, agents or representatives in connection with the transactions contemplated hereby, other than independent third-party appraisals of aircraft and independent third party generated industry information and when taken together with all reports, statements, schedules and other information included in filings made by the Company with the Securities and Exchange Commission, taken as a whole, is complete and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements were made (giving effect to any supplements thereto from time to time) and (ii) all financial projections, if any, that have been prepared by the Company in connection with the transactions contemplated hereby and made

available to the Administrative Agent, any Lender or any potential Lender (the "Projections") have been prepared in good faith based upon assumptions believed by the Company to be reasonable as of the date of the preparation of such Projections (it being understood that projections by their nature are inherently uncertain and no assurances are being given that the results reflected in the Projections will be achieved).

Section 7.10. Compliance with Applicable Laws, etc. Each Obligor and each of its Subsidiaries is in compliance with the requirements of all applicable laws, rules, regulations and orders of all Governmental Authorities (including ERISA or any laws applicable to a Foreign Plan and all applicable environmental laws), except for noncompliance that could not reasonably be expected to have a Material Adverse Effect. None of the Obligors nor any of the Subsidiaries is in default under any agreement or instrument to which such Obligor or such Subsidiary is a party or by which it or any of its properties or assets is bound, which default could reasonably be expected to have a Material Adverse Effect on the business, credit, operations or financial condition of the Obligors and their Subsidiaries taken as a whole. No Event of Default or Unmatured Event of Default has occurred and is continuing.

Section 7.11. Insurance. Each of the Obligors and each Subsidiary maintains, or, in the case of any property owned by any Obligor or any Subsidiary and leased to lessees, has contractually required such lessees to maintain, insurance with financially sound and reputable insurers to such extent and against such hazards and liabilities as is commonly maintained, or caused to be maintained, as the case may be, by companies similarly situated.

Section 7.12. Taxes. Each of the Obligors and each Subsidiary has filed all material tax returns which are required to have been filed and has paid, or made adequate provisions for the payment of, all of its Taxes which are due and payable, except such Taxes, if any, as are being contested in good faith and by appropriate proceedings and as to which such reserves or other appropriate provisions as may be required by GAAP have been established, except where failure to pay such Taxes, individually or in the aggregate, cannot reasonably be expected to have a Material Adverse Effect.

Section 7.13. Use of Proceeds. The proceeds of the Committed Loans will be used for general corporate purposes of the Company and its Subsidiaries.

Section 7.14. Pari Passu. All obligations and liabilities of any Obligor hereunder or under any Guarantee Assumption Agreement to which it is a party shall rank at least equally and ratably (pari passu) in priority with all other unsubordinated, unsecured obligations of such Obligor to any other creditor.

Section 7.15. OFAC, Etc. The Company has implemented and maintains in effect policies and procedures designed to ensure compliance by the Company, its Subsidiaries and their directors, officers, employees and agents with applicable Anti-Corruption Laws and Sanctions, the USA PATRIOT Act and other applicable anti-terrorism and money laundering laws. None of the Company or any Subsidiary, director, officer, employee or, to the knowledge of the Company after due inquiry, any agent of the Company or any Subsidiary that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No borrowing hereunder will be made for any purpose that would constitute

or result in a violation by any party hereto, including the Lenders, of any applicable Anti-Corruption Laws, Sanctions, the USA PATRIOT Act or other anti-terrorism and money laundering laws.

SECTION 8. COVENANTS

Until the expiration or termination of the Commitments, and thereafter until all obligations of the Obligors hereunder and under the Committed Notes are paid in full (other than unasserted contingent indemnification obligations), each Obligor agrees that, commencing on the Closing Date, unless at any time the Required Lenders shall otherwise expressly consent in writing, it will:

Section 8.1. Reports, Certificates and Other Information. Furnish to the Agent with sufficient copies for each Lender which the Agent shall promptly make available to each Lender:

8.1.1 Audited Financial Statements. As soon as available, and in any event within 95 days after each fiscal year of the Company, a copy of the audited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows and annual audit report of the Company and its subsidiaries for such fiscal year (setting forth in each case in comparative form the figures for the previous fiscal year) prepared on a consolidated basis and in conformity with GAAP and certified by PricewaterhouseCoopers Accountants N.V. or by another independent certified public accountant of recognized national standing selected by the Company.

8.1.2 Interim Reports. As soon as available, and in any event within 50 days after each quarter (except the last quarter) of each fiscal year of the Company, a copy of the unaudited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows of the Company and its subsidiaries as of the end of and for such quarter and the then elapsed portion of the fiscal year, setting forth in each case in comparative form the figures for (or, in the case of the balance sheet, as of the end of) the corresponding period or periods of the previous fiscal year, all certified by an Authorized Officer of the Company as presenting fairly in all material respects the financial condition and results of operations of the Company and its Subsidiaries on a consolidated basis in accordance with GAAP, subject to normal year end audit adjustments, the auditors' year-end report and the absence of footnotes.

8.1.3 Certificates. Contemporaneously with the furnishing of a copy of each annual audit report and of each set of quarterly statements provided for in this Section 8.1, deliver a certificate of the Company, in substantially the form of Exhibit C hereto, dated the date of delivery of such annual report or such quarterly statements and signed by an Authorized Officer, to the effect that no Event of Default or Unmatured Event of Default has occurred and is continuing, or, if there is any such event, describing it and the steps, if any, being taken to cure it and containing a computation of, and showing compliance with, each of the financial ratios and restrictions contained in this Section 8.

8.1.4 Certain Notices. Forthwith upon learning of the occurrence of any of the following, provide written notice thereof, describing the same and the steps being taken by the Company or the Subsidiary affected with respect thereto:

(i) the occurrence of an Event of Default or an Unmatured Event of Default;

(ii) the institution of any Litigation Action; provided, that, the Company need not give notice of any new Litigation Action unless such Litigation Action, together with all other pending Litigation Actions, could reasonably be expected to have a Material Adverse Effect;

(iii) the entry of any judgment or decree against the Company or any Subsidiary if the aggregate amount of all judgments and decrees then outstanding against the Company and all Subsidiaries exceeds $100,000,000 after deducting (i) the amount with respect to which the Company or any Subsidiary is insured and with respect to which the insurer has not denied coverage in writing and (ii) the amount for which the Company or any Subsidiary is otherwise indemnified if the terms of such indemnification are satisfactory to the Agent and the Required Lenders;

(iv) the occurrence of a Reportable Event with respect to any Plan; the institution of any steps by the Company, any ERISA Affiliate, the PBGC or any other Person to terminate any Plan; the institution of any steps by the Company or any ERISA Affiliate to withdraw from any Plan; the incurrence of any material increase in the contingent liability of the Company or any Subsidiary with respect to any post-retirement welfare benefits; the failure of the Company or any other Person to make a required contribution to a Plan if such failure is sufficient to give rise to a lien under Section 303(k) of ERISA or a determination is made that any Plan is in "at risk" status (within the meaning of Section 303 of ERISA); provided, however, that no notice shall be required of any of the foregoing unless the circumstance could reasonably be expected to have a Material Adverse Effect; or

(v) the occurrence of a material adverse change in the business, credit, operations or financial condition of the Company and its Subsidiaries taken as a whole.

8.1.5 Reports. Promptly from time to time after the occurrence of an event required to be therein reported by the Company, such other reports of the Company on Form 6-K, or any successor or comparable form, as the Company shall have filed with the SEC.

8.1.6 Other Information. From time to time provide such other information regarding the operations and financial condition of the Company and its Subsidiaries (but in the case of each Securitization Subsidiary, only to the extent it is able to do so after use of commercially reasonable efforts) as any Lender or the Agent may reasonably request (not including reports and other materials to the extent filed with the Securities and Exchange Commission).

Financial and other information required to be delivered pursuant to Sections 8.1.1, 8.1.2 and 8.1.5 above shall be deemed to have been delivered if such information,

or one or more annual or quarterly reports containing such information, shall have been posted by the Agent on any Platform (as defined herein) or similar site to which the Lenders have been granted access or such reports shall be available on the website of the Securities and Exchange Commission at http://www.sec.gov or the Company's website at http://www.aercap.com; provided, that the Company shall provide paper copies of such financial information if requested by the Agent or any Lender. Information, reports or certificates required to be delivered pursuant to this Section 8.1 may be delivered by electronic communications pursuant to procedures approved by the Administrative Agent.

Section 8.2. Existence. (a) Maintain and preserve, and, subject to the first proviso in Section 8.9, cause each Subsidiary to maintain and preserve, its respective existence as a corporation or other form of business organization, as the case may be (but in the case of each Securitization Subsidiary, only to the extent it is able to do so after use of commercially reasonable efforts), and (b) take all reasonable action to maintain all rights, privileges, licenses, patents, patent rights, copyrights, trademarks, trade names, franchises and other authority, except in each case (other than with respect to the Company or the Borrower in connection with clause (a) above) to the extent that failure to do so could not reasonably be expected to result in a Material Adverse Effect; provided, however, that notwithstanding anything to the contrary herein, (a) any Subsidiary may be merged or consolidated with or into (i) any other Subsidiary or (ii) into the Company (with the Company as the surviving corporation), provided that, in the case of clauses (a)(i) and (ii), if the Borrower shall be party to any such merger or consolidation the Borrower shall be the surviving entity of such merger or consolidation and (b) any Subsidiary may be converted from one form of business organization into any other form of business organization.

Section 8.3. Nature of Business. Subject to Section 8.2, engage on a consolidated basis with its Subsidiaries in substantially the same fields of business as it and its Subsidiaries on a consolidated basis are engaged in on the date hereof (or fields of business related or ancillary thereto).

Section 8.4. Books, Records and Access.

(a) Maintain, and cause each Subsidiary to (but in the case of each Securitization Subsidiary, only to the extent it is able to do so after use of commercially reasonable efforts) maintain in all material respects complete and accurate books and records in which full and correct entries in all material respects and in conformity with GAAP shall be made of all dealings and transactions in relation to its respective business and activities.

(b) Permit, and cause each Subsidiary to permit (but in the case of each Securitization Subsidiary, only to the extent it is able to do so after use of commercially reasonable efforts), access by the Agent and each Lender to the books and records of the Company and such Subsidiary during normal business hours, and permit, and cause each Subsidiary to permit, the Agent and each Lender to make copies of such books and records upon reasonable notice and as often as may be reasonably requested.

Section 8.5. Insurance. Maintain, and cause each Subsidiary to maintain, such insurance as is described in Section 7.11 (but in the case of each Securitization Subsidiary, only to the extent it is able to do so after use of commercially reasonable efforts).

Section 8.6. Repair. Maintain, preserve and keep, and cause each Subsidiary to maintain, preserve and keep, its properties in good repair, working order and condition, ordinary wear and tear excepted, except where the failure to do so could not reasonably be expected to result in a Material Adverse Effect (but in the case of each Securitization Subsidiary, only to the extent it is able to do so after use of commercially reasonable efforts). In the case of properties leased by any Obligor or any Subsidiary to lessees, such Obligor may satisfy its obligations related to such properties under the previous sentence by contractually requiring, or by causing each Subsidiary to contractually require, such lessees to perform such obligations (but in the case of each Securitization Subsidiary, only to the extent it is able to do so after use of commercially reasonable efforts).

Section 8.7. Taxes. Pay or cause to be paid, and cause each Subsidiary to pay, or cause to be paid, prior to the imposition of any penalty or fine, all of its Taxes, unless and only to the extent that such Obligor or such Subsidiary, as the case may be, is contesting any such Taxes in good faith and by appropriate proceedings and the Company or such Subsidiary has set aside on its books such reserves or other appropriate provisions therefor as may be required by GAAP, except where failure to pay such Taxes, individually or in the aggregate, cannot reasonably be expected to have a Material Adverse Effect (but in the case of each Securitization Subsidiary, only to the extent it is able to do so after use of commercially reasonable efforts).

Section 8.8. Compliance. (a) Comply, and cause each Subsidiary to comply with all statutes (including ERISA) and governmental rules and regulations applicable to it except to the extent noncompliance could not reasonably be expected to have a Material Adverse Effect (but in the case of each Securitization Subsidiary, only to the extent it is able to do so after use of commercially reasonable efforts).

(b) Maintain in effect and enforce policies and procedures designed to ensure compliance by the Company, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

(c) Use the proceeds of any borrowing hereunder in compliance with any Anti-Corruption Laws, applicable anti-money laundering laws and any Sanctions applicable to any party hereto.

Section 8.9. Sale of Assets. Not, and not permit any Subsidiary to, transfer, convey, lease (except for in the ordinary course of business) or otherwise dispose of all or substantially all of the assets of the Obligors and their Subsidiaries taken as a whole; provided, however, that any Wholly-owned Subsidiary may sell, transfer, convey, lease or assign all or a substantial part of its assets to another Obligor or another Wholly-owned Subsidiary if immediately thereafter and after giving effect thereto no Event of Default or Unmatured Event of Default shall have occurred and be continuing; provided, further that this Section 8.9 shall not prohibit any transaction otherwise permitted by Section 8.2.

Section 8.10. Consolidated Indebtedness to Shareholder's Equity. Not permit the ratio of Consolidated Indebtedness to Shareholder's Equity to exceed at any time set forth below the applicable ratio set forth below (such ratio to be calculated in a manner consistent with the calculations set forth on Schedule 1 to Exhibit C).

Period	Ratio
From and including the Closing Date to December 30, 2018	3.90:1.0
December 31, 2018 and thereafter	3.75:1.0

Section 8.11. Interest Coverage Ratio. Not permit the Interest Coverage Ratio on the last day of any quarter of any fiscal year of the Company to be less than 200%.

Section 8.12. Unencumbered Assets. Not permit the ratio of (A) Unencumbered Assets to (B) the aggregate outstanding principal amount of the Company's consolidated unsecured Financial Indebtedness minus, to the extent included in Financial Indebtedness, the aggregate amount outstanding of Hybrid Capital Securities, in each case on the last day of any quarter of any fiscal year of the Company to be less than 135%.

Section 8.13. Restricted Payments. Not declare or pay any dividends whatsoever or make any distribution on any capital stock of the Company (except in shares of, or warrants or rights to subscribe for or purchase shares of, capital stock of the Company), and not permit any Subsidiary to, make any payment to acquire or retire shares of capital stock of the Company, in each case at any time when (i) an Event of Default as described in Section 10.1 has occurred and is continuing and there are Committed Loans outstanding hereunder or (ii) an Event of Default as described in Section 10.1.1 has occurred and is continuing and there are no Committed Loans outstanding hereunder; provided, however, that notwithstanding the foregoing, this Section 8.13 shall not prohibit (x) the payment of dividends on any of ILFC's market auction preferred stock that was sold to the public pursuant to an effective registration statement under the Securities Act of 1933 or (y) the payment of dividends within 30 days of the declaration thereof if such declaration was not prohibited by this Section 8.13.

Section 8.14. Liens. Not, and not permit any Subsidiary to, create or permit to exist any Lien upon or with respect to any of its properties or assets of any kind, now owned or hereafter acquired, or on any income or profits therefrom, except for:

(a) Liens existing on the Closing Date that are reflected in the consolidated financial statements of the Company dated prior to the Closing Date;

(b) Liens to secure the payment of all or any part of the purchase price of any property or assets or to secure any Indebtedness incurred by the Company or a Subsidiary to finance the acquisition of any property or asset. For the avoidance of doubt, Liens securing Indebtedness relating to ECA Financings or Eximbank financings shall be permitted hereunder;

(c) Liens securing the Indebtedness of a Subsidiary owing to the Company or to a Wholly-owned Subsidiary;

(d) Liens on property of a Person existing at the time such Person is merged into or consolidated with the Company or a Subsidiary or at the time of a purchase, lease or other acquisition of the properties of a Person as an entirety or substantially as an entirety by the Company or a Subsidiary; provided, that, any such Lien shall not extend to or cover any assets or properties of the Company or such Subsidiary owned by the Company or such Subsidiary prior to such merger, consolidation, purchase, lease or acquisition, unless otherwise permitted under this Section 8.14;

(e) leases, subleases or licenses granted to others in the ordinary and usual course of the Company's business;

(f) easements, rights of way, restrictions and other similar charges or encumbrances not interfering in any material respect with the ordinary conduct of the business of the Company or any Subsidiary;

(g) bankers' Liens arising by law or by contract in the ordinary and usual course of the Company's business;

(h) Liens incurred or deposits made in the ordinary course of business in connection with surety and appeal bonds, leases, government contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money); provided, however, that the obligation so secured is not overdue or is being contested in good faith and by appropriate proceedings diligently pursued;

(i) any replacement or successive replacement in whole or in part of any Lien referred to in the foregoing clauses (a) to (h), inclusive; provided, however, that the principal amount of any Indebtedness secured by the Lien shall not be increased and the principal repayment schedule and maturity of such Indebtedness shall not be extended and (i) such replacement shall be limited to all or a part of the property which secured the Lien so replaced (plus improvements and construction on such property) or (ii) if the property which secured the Lien so replaced has been destroyed, condemned or damaged and pursuant to the terms of the Lien other property has been substituted therefor, then such replacement shall be limited to all or part of such substituted property;

(j) Liens created by or resulting from any litigation or other proceeding which is being contested in good faith by appropriate proceedings, including Liens arising out of judgments or awards against the Company or any Subsidiary with respect to which the Company or such Subsidiary is in good faith prosecuting an appeal or proceedings for review; Liens incurred by the Company or any Subsidiary for the purpose of obtaining a stay or discharge in the course of any litigation or other proceeding to which the Company or such Subsidiary is a party; or Liens created by or resulting from any litigation or other proceeding that would not result in an Event of Default hereunder;

(k) carrier's, warehouseman's, hangar keeper's, mechanic's, repairer's, landlord's and materialmen's Liens, Liens for Taxes, assessments and other governmental charges and other Liens arising in the ordinary course of business, by operation of law or under customary terms of repair or modification agreements or any engine or parts-pooling arrangements, in each case securing obligations that are not incurred in connection with the obtaining of any advance or credit and which are either not

overdue or are being contested in good faith and by appropriate proceedings diligently pursued; and

(l) other Liens securing Indebtedness of the Company or any Subsidiary; provided that at the time such Indebtedness is incurred (or, in the case of unsecured Indebtedness that is subsequently secured by Liens, at the time such Indebtedness becomes secured) the ratio of (A) Unencumbered Assets as of the end of the most recently ended fiscal period for which financial statements have been delivered pursuant to Section 8.1 (except that (i) "cash and cash equivalents" and Financial Indebtedness shall be measured on the applicable date of determination on a pro forma basis, (ii) any Aircraft Assets acquired subsequent to such date may, at the option of the Company, be included in the determination of Unencumbered Assets valued as of the date of acquisition and as determined by the Company in good faith and (iii) if the outstanding amount of Financial Indebtedness on the applicable date of determination has been reduced since the end of the most recently ended fiscal period for which financial statements have been delivered pursuant to Section 8.1 with the proceeds of any sale or other disposition of Aircraft Assets, the book value of such Aircraft Assets sold or otherwise disposed of shall be excluded) to (B) the aggregate outstanding principal amount of the Company's consolidated unsecured Financial Indebtedness on the date of determination on a pro forma basis minus, to the extent included in Financial Indebtedness as of such date, the aggregate amount outstanding of Hybrid Capital Securities, is not less than 135%.

Section 8.15. Use of Proceeds. Not permit any proceeds of the Committed Loans to be used, either directly or indirectly, for the purpose, whether immediate, incidental or ultimate, of buying or carrying any margin stock within the meaning of Regulation U of the Board of Governors of the Federal Reserve System, as amended from time to time; or for the purpose, whether immediate, incidental or ultimate, of acquiring directly or indirectly any of the outstanding shares of voting stock of any corporation which (i) has announced that it will oppose such acquisition or (ii) has commenced any litigation which alleges that any such acquisition violates, or will violate, applicable law.

Section 8.16. Transactions with Affiliates.

(a) Not, and not permit any Subsidiary to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Company (each of the foregoing, an "Affiliate Transaction") involving aggregate payments or consideration in excess of $5,000,000, unless:

(i) such Affiliate Transaction is on terms that are not materially less favorable to the Company or the relevant Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Subsidiary with an unrelated Person; and

(ii) the Company delivers to the Administrative Agent with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate payments or consideration in excess of $50,000,000, a resolution adopted by the disinterested members of the Board of Directors of the Company, if any, approving such Affiliate Transaction and set forth in a certificate of an Authorized Officer of the Company certifying that such Affiliate Transaction complies with Section 8.16(a)(i).

(b) The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 8.16(a):

(i) transactions between or among the Company and/or any of its Subsidiaries;

(ii) declaration or payment of dividends, the making of distributions on any Capital Stock of the Company and the making of payments to acquire or retire shares of Capital Stock of the Company, in each case at any time not prohibited by Section 8.13;

(iii) the payment of reasonable and customary fees paid to, and indemnities provided on behalf of, officers, directors, employees or consultants of the Company or any Subsidiary;

(iv) transactions in which the Company or any of its Subsidiaries, as the case may be, delivers to the Administrative Agent a letter from an Independent Financial Advisor stating that such transaction is fair to the Company or such Subsidiary from a financial point of view or meets the requirements of 8.16(a)(i);

(v) payments or loans (or cancellation of loans) to employees or consultants of the Company or any of its Subsidiaries which are approved by a majority of the Board of Directors of the Company in good faith;

(vi) any agreement as in effect as of the Closing Date, or any amendment thereto (so long as any such amendment, taken as a whole, is no less favorable to the Company and its Subsidiaries than the agreement in effect on the date hereof (as determined by the Board of Directors of the Company in good faith));

(vii) the existence of, or the performance by the Company or any of its Subsidiaries of its obligations under the terms of, any limited liability company, limited partnership or other organizational document or joint venture, investors or shareholders agreement (including any registration rights agreement or purchase agreement related thereto) to which it is a party as of the Closing Date and any similar agreements which it may enter into thereafter; provided, however, that the existence of, or the performance by the Company or any Subsidiary of obligations under any future amendment to any such existing agreement or under any similar agreement entered into after the Closing Date shall only be permitted by this clause (vii) to the extent that the

terms of any such

amendment or new agreement, taken as a whole, is no less favorable to the Company and its Subsidiaries than the agreement in effect on the Closing Date (as determined by the Board of Directors of the Company in good faith);

(viii) transactions with customers, clients, suppliers, trade creditors, joint venture partners or purchasers or sellers of goods or services, in each case in the ordinary course of business and otherwise in compliance with the terms of this Agreement;

(ix) the issuance of Capital Stock (other than Disqualified Stock) of the Company to any Affiliate of the Company and other customary rights in connection therewith;

(x) transactions or payments pursuant to any employee, officer or director compensation (including bonuses) or benefit plans, employment agreements, severance agreement, indemnification agreements or any similar arrangements entered into in the ordinary course of business or approved by the Board of Directors of the Company;

(xi) transactions in the ordinary course with joint ventures in which the Company or a subsidiary of the Company holds or acquires an ownership interest (whether by way of Capital Stock or otherwise) so long as the terms of any such transactions are no less favorable to the Company or subsidiary participating in such joint ventures than they are to other joint venture partners;

(xii) transactions with a Person that is an Affiliate of the Company solely because the Company owns, directly or through one or more of its Subsidiaries, Capital Stock in, or controls, such Person;

(xiii) transactions involving Securitization Assets, or participations therein, in connection with any Qualified Securitization Financing;

(xiv) services provided by the Company or any of its Subsidiaries to its Subsidiaries or Affiliates under an agreement in respect of (A) aircraft, airframe and engines, (B) all parts, including replacement parts, of whatever nature, which are from time to time included within the airframes or engines or owned separately by the Company or any of its subsidiaries, (C) aircraft documents, (D) leases to which the Company or any of its subsidiaries is or may from time to time be party with respect to an aircraft engine or part and (E) all asset backed securities or other instruments secured directly or indirectly by aircraft, airframe, engines or parts all in the ordinary course of business and consistent with past practice; and

(xv) any transaction with an Affiliate of the Company where the only consideration paid by the Company or any of its Subsidiaries is the issuance of Capital Stock (other than Disqualified Stock).

Section 8.17. Limitation on Issuances of Guarantees of Indebtedness.

(a) Not cause or permit any of its Subsidiaries to be an obligor or a guarantor under the AIG Facility, unless such Subsidiary is a Guarantor or executes and delivers to

the Administrative Agent a Guarantee Assumption Agreement, concurrently with such Subsidiary becoming an obligor or a guarantor under the AIG Facility.

(b) Not cause or permit any of its Subsidiaries (other than a Securitization Subsidiary or an Obligor), directly or indirectly, to guarantee any Capital Markets Debt or unsecured Credit Facility (other than Standard Securitization Undertakings in connection with a Qualified Securitization Financing) of the Company or any other Obligor (other than the Financing Trust or any of its subsidiaries) unless such Subsidiary, within five Business Days of the date on which it guarantees Capital Markets Debt or an unsecured Credit Facility of the Company or any other Obligor (other than the Financing Trust or any of its subsidiaries), executes and delivers to the Administrative Agent a Guarantee Assumption Agreement.

Section 8.18. [Reserved].

Section 8.19. Subsidiary Guarantors. In each case to the extent such Person is not a party to this Agreement on the date hereof, cause any Subsidiary that is required under Section 8.17 to become a Subsidiary Guarantor to (a) become a "Subsidiary Guarantor" hereunder pursuant to a Guarantee Assumption Agreement and (b) deliver such proof of corporate or similar action, incumbency of officers, opinions of counsel and other documents as is consistent with those delivered by each Obligor pursuant to Section 9 on the Closing Date.

SECTION 9. CONDITIONS TO LENDING

Section 9.1. Conditions Precedent to All Committed Loans. Each Lender's obligation to make each Committed Loan on the date of original borrowing thereof is subject to the following conditions precedent:

9.1.1 No Default. (a) No Event of Default or Unmatured Event of Default has occurred and is continuing or will

result from the making of such Committed Loan and (b) the representations and warranties contained in Section 7 (other than those contained in Section 7.5) are true and correct in all material respects as of the date of such requested Committed Loan, with the same effect as though made on the date of such Committed Loan, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date (it being understood that each request for a Committed Loan shall automatically constitute a representation and warranty by the Company that, as at the requested date of such Committed Loan, (x) all conditions under this Section 9.1.1 shall be satisfied and (y) after the making of such Committed Loan the aggregate principal amount of all outstanding Committed Loans will not exceed the Aggregate Commitment).

9.1.2 Documents. The Agent shall have received (a) a certificate signed by an Authorized Officer of the Company as to compliance with Section 9.1.1, which requirement shall be deemed satisfied by the submission of a properly completed Committed Loan Request, and (b) a Committed Loan Request substantially in the form of Exhibit A hereto.

Section 9.2. Conditions to Effectiveness. This Agreement, and the obligations of each Lender hereunder to make Committed Loans pursuant to its Commitment, shall not become effective until the date on which each of the following conditions precedent shall have been satisfied or, to the extent not so satisfied, waived in writing by the Required Lenders (the "Closing Date"):

9.2.1 Revolving Credit Agreement. The Agent shall have received this Agreement duly executed and delivered by each of the Lenders, the Company, the Borrower and each of the Subsidiary Guarantors identified under the caption "GUARANTORS" on the signature pages hereto and each of the Lenders shall have received a fully executed Committed Note, if such Committed Note is requested by any Lender pursuant to Section 11.11.

9.2.2 KYC Documents. The Agent shall have received at least three Business Days prior to the Closing Date all documentation and other information reasonably requested by the Lenders through the Agent in writing at least ten Business Days in advance of the Closing Date, which documentation or other information is required by regulatory authorities under applicable "know your customer" requirements under applicable law.

9.2.3 Closing Certificate. The Agent shall have received a certificate of an Authorized Officer (a) confirming that since the date of the audited financial statements identified in Section 7.4 hereof, there shall not have occurred any material adverse change in the business, condition (financial or otherwise) or operations of the Company and its Subsidiaries taken as a whole, (b) as to the absence of any Unmatured Event of Default or Event of Default and (c) confirming that the representations and warranties contained in Section 7 are true and correct in all material respects as of the Closing Date, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date.

9.2.4 Fees. The Agent shall have received (a) for the account of the Agent the Agent's fees payable on the Closing Date pursuant to Section 3.5 hereof and (b) all accrued fees and expenses payable on the Closing Date owing to the Agent, the Arrangers and the Lenders from the Company, in each case, pursuant to written agreements as in effect on the Closing Date.

9.2.5 Existing Credit Facility. Prior to or substantially contemporaneously with the Closing Date, all outstanding "Committed Loans" of any Replaced Lenders and all accrued but unpaid interest and fees owing to any "Lender", in each case, under the Existing Credit Agreement shall have been paid in full.

9.2.6 Evidence of Corporate Action, Incumbency and Signatures. The Agent shall have received a certificate of the Secretary or an Assistant Secretary or a director of each Obligor, in substantially the form of Exhibit G, certifying (a) copies of all corporate or similar actions taken by each Obligor to authorize this Agreement and, as applicable, the Committed Notes and (b) the names of the officer or officers or director or directors

or other authorized signatories of such Obligor authorized to sign the Loan Documents to which it is a party and the other documents provided for in this Agreement to be executed by such Obligor, together with a sample of the true signature of each such officer or director or other authorized signatory (it being understood that the Agent and each Lender may conclusively rely on such certificate until formally advised by a like certificate of any changes therein).

9.2.7 Good Standing Certificates. To the extent made available in the relevant jurisdiction, the Agent shall have received such good standing certificates of state officials (or analogous documents or certificates relating to valid existence and good standing) with respect to the incorporation or organization of each Obligor.

9.2.8 Opinions of Company Counsel. The Agent shall have received favorable written opinions of (i) Cravath, Swaine & Moore LLP, special New York counsel for the Obligors, in substantially the form of Exhibit H-1, (ii) McCann FitzGerald, special Irish counsel to the Company, in substantially the form of Exhibit H-2, (iii) NautaDutilh N.V., special Dutch counsel to the Company, in substantially the form of Exhibit H-3, (iv) Buchalter, special California counsel to the Company, in substantially the form of Exhibit H-4, and (v) Morris, Nichols, Arsht & Tunnell LLP, special Delaware counsel to the Company, in substantially the form of Exhibit H-5.

The Agent shall promptly notify the Company and the Lenders of the occurrence of the Closing Date, and such notice shall be conclusive and binding.

SECTION 10. EVENTS OF DEFAULT AND THEIR EFFECT

Section 10.1. Events of Default. Each of the following shall constitute an Event of Default under this Agreement:

10.1.1 Non-Payment of the Committed Loans, etc. Default in the payment when due of any principal of any Committed Loan or default and continuance thereof for three Business Days in the payment when due of any interest on any Committed Loan, any fees or any other amounts payable by any Obligor hereunder.

10.1.2 Non-Payment of Other Indebtedness for Borrowed Money. (a) Default in the payment when due (subject to any applicable grace period), whether by acceleration or otherwise, of any principal of, interest on or fees incurred in connection with any other Indebtedness of, or Guaranteed by, the Company or any Significant Subsidiary beyond the period of grace, if any, provided in the instrument or agreement pursuant to which such Indebtedness was created (except (i) any such Indebtedness of any Subsidiary to the Company or to any other Subsidiary and (ii) any Indebtedness hereunder) or (b) default in the performance or observance of any obligation or condition with respect to any such other Indebtedness or (other than in respect of any Indebtedness secured by Liens over Aircraft Assets or the Equity Interests of a Subsidiary owning Aircraft Assets) any other event shall occur, the effect of which default or other event is to cause, or to permit the holder or holders of such Indebtedness or beneficiary or beneficiaries of such Guarantee (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries)

to cause, (with or without the giving of notice, the lapse of time or both but in each case after any applicable period of grace, if any, shall have lapsed) such Indebtedness to become due prior to its stated maturity or the obligations under such Guarantee to become payable, provided, however, that the aggregate principal amount of all Indebtedness as to which there has occurred any default as described in clause (a) or (b) above shall equal or exceed $100,000,000; provided further however, that clause (b) above shall not apply to secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness.

10.1.3 Bankruptcy, Insolvency, etc. The Company or any Significant Subsidiary becomes insolvent (which term shall include any form of creditor protection and moratorium, including bankruptcy (*faillissement*) and suspension of payments (*surseance van betaling*) under Dutch law and the serving of a notice pursuant to section 36 of the Dutch Tax Collection Act (*Invorderingswet*)) or generally fails to pay, or admits in writing its inability or refusal to pay, debts as they become due; or the Company or any Significant Subsidiary applies for, consents to, or acquiesces in the appointment of a trustee, liquidator, examiner, receiver or other custodian (including a "curator" in a bankruptcy under Dutch law and a "bewindvoerder" in a suspension of payment (*surseance van betaling*) under Dutch law) for the Company or such Significant Subsidiary or a material portion of the property thereof, or makes a general assignment for the benefit of creditors; or, in the absence of such application, consent or acquiescence, a trustee, liquidator, examiner, receiver or other custodian is appointed for the Company or any Significant Subsidiary or for a substantial part of the property of any thereof and is not discharged within 60 days; or any warrant of attachment or similar legal process is issued against any substantial part of the property of the Company or any of its Significant Subsidiaries which is not released within 60 days of service; or any bankruptcy, examinership, receivership, reorganization, debt arrangement, or other case or proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding (except the voluntary dissolution, not under any bankruptcy or insolvency law, of a Significant Subsidiary), is commenced in respect of the Company or any Significant Subsidiary, and, if such case or proceeding is not commenced by the Company or such Significant Subsidiary it is consented to or acquiesced in by the Company or such Significant Subsidiary or remains for 60 days undismissed; or the Company or any Significant Subsidiary takes any corporate action to authorize, or in furtherance of, any of the foregoing.

10.1.4 Non-Compliance with this Agreement.

(a) Failure by any Obligor to comply with or to perform any of the covenants in Sections 8.1.4(i), Sections 8.9 through Section 8.15, Section 8.17 and Section 8.18.

(b) Failure by any Obligor to comply with or to perform any of the covenants herein or any other provision of this Agreement (and not constituting an Event of Default under any of the other provisions of this Section 10.1) and continuance of such failure for 30 days after notice thereof to the Company from the Agent.

10.1.5 Representations and Warranties. Any representation or warranty made by the Company herein or by any Guarantor in any Guarantee Assumption Agreement is untrue or misleading in any material respect when made or deemed made; or any schedule, statement, report, notice, or other writing furnished by the Company to the Agent or any Lender is false or misleading in any material respect on the date as of which the facts therein set forth are stated or certified; or any certification made or deemed made by the Company to the Agent or any Lender is untrue or misleading in any material respect on or as of the date made or deemed made.

10.1.6 Employee Benefit Plans. Any ERISA Event shall have occurred with respect to any Plan or any Foreign Benefit Event shall have occurred with respect to a Foreign Plan that would reasonably be expected to result in a Material Adverse Effect.

10.1.7 Judgments. There shall be entered against the Company or any Subsidiary one or more final, non-appealable judgments or decrees for the payment of money in excess of $100,000,000 in the aggregate at any one time outstanding for the Company or any Subsidiary (excluding any portion thereof that is paid or covered by insurance so long as coverage has not been denied in writing or is otherwise indemnified if the terms of such indemnification are satisfactory to the Required Lenders) and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgments or orders in excess of such aggregate amount on or after the date any payment is due and payable under the terms of such judgments or orders and shall not have been stayed within 60 days after such enforcement proceedings are commenced or (ii) there is a period of 60 consecutive days during which such judgments or orders in excess of such aggregate amount shall not have been paid, vacated, discharged, stayed or bonded.

10.1.8 Invalidity of Loan Documents. Any Loan Document shall cease to be, or shall be asserted by any Obligor not to be, in full force and effect, except in accordance with the terms of this Agreement, including, in the case of any guarantee by any Subsidiary Guarantor of the Guaranteed Obligations, as a result of the release of such guarantee as provided in Section 13.9.

10.1.9 Change of Control. A Change of Control shall have occurred.

Section 10.2. Effect of Event of Default. If any Event of Default described in Section 10.1.3 shall occur, the Commitments (if they have not theretofore terminated) shall immediately terminate and all Committed Loans and all interest and other amounts due hereunder shall become immediately due and payable, all without presentment, demand or notice of any kind; and, in the case of any other Event of Default, the Agent may, and upon written request of the Required Lenders shall, declare the Commitments (if they have not theretofore terminated) to be terminated and all Committed Loans and all interest and other amounts due hereunder to be due and payable, whereupon the Commitments (if they have not theretofore terminated) shall immediately terminate and all Committed Loans and all interest and other amounts due hereunder shall become immediately due and payable, all without presentment, demand or notice of any kind. The Agent shall promptly advise the Company and each Lender of any such declaration, but failure to do so shall not impair the effect of such declaration.

SECTION 11. THE AGENT

Section 11.1. Authorization and Authority. Each Lender hereby irrevocably appoints Citibank, N.A. to act on its behalf as the Agent hereunder and under the Committed Notes and authorizes the Agent to take such actions on its behalf and to exercise such powers as are delegated to the Agent by the terms hereof, together with such actions and powers as are reasonably incidental thereto. Subject to the provisions of Section 11.4, the Agent will take such action permitted by any agreement delivered in connection with this Agreement as may be requested in writing by the Required Lenders or if required under Section 12.1, all of the Lenders. Other than as expressly set forth herein, the Agent shall promptly remit in immediately available funds to each Lender its share of all payments received by the Agent for the account of such Lender, and shall promptly transmit to each Lender (or share with each Lender the contents of) each notice it receives from the Company pursuant to this Agreement. Other than Section 11.9, the provisions of this Section 11 are solely for the benefit of the Agent and the Lenders, and the Company shall have no rights as a third party beneficiary of any of such provisions.

Section 11.2. Agent Individually. (a) The Person serving as the Agent, if a Lender hereunder, shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Company or any Subsidiary or other Affiliate thereof as if such Person were not the Agent hereunder and without any duty to account therefor to the Lenders.

(b) Each Lender understands that the Person serving as Agent, acting in its individual capacity, and its Affiliates (collectively, the "Agent's Group") are engaged in a wide range of financial services and businesses (including investment management, financing, securities trading, corporate and investment banking and research) (such services and businesses are collectively referred to in this Section 11.2 as "Activities") and may engage in the Activities with or on behalf of the Company or its Affiliates. Furthermore, the Agent's Group may, in undertaking the Activities, engage in trading in financial products or undertake other investment businesses for its own account or on behalf of others (including the Company and its Affiliates and including holding, for its own account or on behalf of others, equity, debt and similar positions in the Company or its Affiliates), including trading in or holding long, short or derivative positions in securities, loans or other financial products of one or more of the Company and its Affiliates. Each Lender understands and agrees that in engaging in the Activities, the Agent's Group may receive or otherwise obtain information concerning the Company and its Affiliates (including information concerning the ability of the Company to perform its obligations hereunder) which information may not be available to any of the Lenders that are not members of the Agent's Group. None of the Agent nor any member of the Agent's Group shall have any duty to disclose to any Lender or use on behalf of the Lenders, and shall not be liable for the failure to so disclose or use, any information whatsoever about or derived from the Activities or otherwise (including any information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of the Company) or to account for any revenue or profits obtained in connection with the Activities except that the

Agent shall deliver or otherwise make available to each Lender such documents as are expressly required by this Agreement to be transmitted by the Agent to the Lenders.

(c) Each Lender further understands that there may be situations where members of the Agent's Group or their respective customers (including the Company and its Affiliates) either now have or may in the future have interests or take actions that may conflict with the interests of any one or more of the Lenders (including the interests of the Lenders hereunder). Each Lender agrees that no member of the Agent's Group is or shall be required to restrict its activities as a result of the Person serving as Agent being a member of the Agent's Group, and that each member of the Agent's Group may undertake any Activities without further consultation with or notification to any Lender. None of (i) this Agreement, (ii) the receipt by the Agent's Group of information (including "Information" as defined in Section 12.6) concerning the Company or its Affiliates (including information concerning the ability of the Company to perform its obligations hereunder) nor (iii) any other matter shall give rise to any fiduciary, equitable or contractual (other than the administrative duties of the Agent expressly provided hereunder) duties (including any duty of trust or confidence) owing by the Agent or any member of the Agent's Group to any Lender including any such duty that would prevent or restrict the Agent's Group from acting on behalf of customers (including the Company or its Affiliates) or for its own account.

Section 11.3. Indemnification. The Lenders agree to indemnify the Agent in its capacity as such (to the extent not reimbursed by the Company and without releasing the Company from its obligation to do so, to the extent applicable), ratably according to their respective Percentages (determined at the time such indemnity is sought), from and against any and all actions, causes of action, suits, losses, liabilities, damages and expenses which may at any time (including at any time following the repayment of the Committed Loans) be imposed on, incurred by or asserted against the Agent in any way relating to or arising out of this Agreement, or any documents contemplated by or referred to herein or the transactions contemplated hereby or any action taken or omitted by the Agent under or in connection with any of the foregoing; provided, that, no Lender shall be liable for the payment to the Agent of any portion of such actions, causes of action, suits, losses, liabilities, damages and expenses resulting from the Agent's or its employees' or agents' gross negligence or willful misconduct. Without limiting the foregoing, subject to Section 12.5 each Lender agrees to reimburse the Agent promptly upon demand for its ratable share (determined at the time such reimbursement is sought) of any out-of-pocket expenses (including reasonable counsel fees) incurred by the Agent in such capacity in connection with the preparation, execution or enforcement of, or legal advice in respect of rights or responsibilities under, this Agreement or any amendments or supplements hereto or thereto to the extent that the Agent is not reimbursed for such expenses by the Company. All obligations provided for in this Section 11.3 shall survive repayment of the Committed Loans, cancellation of the Committed Notes or any termination of this Agreement. For the purpose of this Section 11.3, Agent shall mean the Administrative Agent and its Affiliates, directors, officers and employees.

Section 11.4. Action on Instructions of the Required Lenders. As to any matters not expressly provided for by this Agreement (including enforcement or collection of the Committed Loans), the Agent shall not be required to exercise any discretion or take any action, but the Agent shall in all cases be fully protected in acting or refraining from acting upon the

written instructions from (i) the Required Lenders, except for instructions which under the express provisions hereof must be received by the Agent from all Lenders and (ii) in the case of such instructions, from all Lenders. In no event will the Agent be required to take any action which exposes the Agent to personal liability or which is contrary to this Agreement or applicable law. The relationship between the Agent and the Lenders is and shall be that of agent and principal only and nothing herein contained shall be construed to constitute the Agent a trustee for any holder of a Committed Loan or of a participation therein nor to impose on the Agent duties and obligations other than those expressly provided for herein.

Section 11.5. Payments. (a) The Agent shall be entitled to assume that each Lender has made its Committed Loan available in accordance with Section 2.2(c) unless such Lender notifies the Agent at its Notice Office prior to 11:00 a.m., New York City time, on the Funding Date for such Committed Loan that it does not intend to make such Committed Loan available, it being understood that no such notice shall relieve such Lender of any of its obligations under this Agreement. If the Agent makes any payment to the Borrower on the assumption that a Lender has made the proceeds of such Committed Loan available to the Agent but such Lender has not in fact made the proceeds of such Committed Loan available to the Agent, such Lender shall pay to the Agent on demand an amount equal to the amount of such Lender's Committed Loan, together with interest thereon for each day that elapses from and including such Funding Date to but excluding the Business Day on which the proceeds of such Lender's Committed Loan become immediately available to the Agent at its Payment Office prior to 12:00 Noon, New York City time, at the Federal Funds Rate for each such day, based upon a year of 360 days. A certificate of the Agent submitted to any Lender with respect to any amounts owing under this Section 11.5(a) shall be conclusive absent demonstrable error. If the proceeds of such Lender's Committed Loan are not made available to the Agent at its Payment Office by such Lender within three Business Days of such Funding Date, the Agent shall be entitled to recover such amount upon two Business Days' demand from the Borrower, together with interest thereon for each day that elapses from and including such Funding Date to but excluding the Business Day on which such proceeds become immediately available to the Agent prior to 12:00 Noon, New York City time, at the rate per annum applicable to Base Rate Loans hereunder, based upon a year of 360 days. Nothing in this paragraph (a) shall relieve any Lender of any obligation it may have hereunder to make any Committed Loan or prejudice any rights which the Borrower may have against any Lender as a result of any default by such Lender hereunder.

(b) The Agent shall be entitled to assume that the Borrower has made all payments due hereunder from the Borrower on the due date thereof unless it receives notification prior to any such due date from the Borrower that the Borrower does not intend to make any such payment, it being understood that no such notice shall relieve the Borrower of any of its obligations under this Agreement. If the Agent distributes any payment to a Lender hereunder in the belief that the Borrower has paid to the Agent the amount thereof but the Borrower has not in fact paid to the Agent such amount, such Lender shall pay to the Agent on demand (which shall be

made by facsimile or personal delivery) an amount equal to the amount of the payment made by the Agent to such Lender, together with interest thereon for each day that elapses from and including the date on which the Agent made such payment to but excluding the Business Day on which the amount of such payment is returned to the Agent at its Payment Office in immediately available funds prior to 12:00 Noon, New York City time, at the Federal Funds Rate for each

such day, based upon a year of 360 days. If the amount of such payment is not returned to the Agent in immediately available funds within three Business Days after demand by the Agent, such Lender shall pay to the Agent on demand an amount calculated in the manner specified in the preceding sentence after substituting the term "Base Rate" for the term "Federal Funds Rate". A certificate of the Agent submitted to any Lender with respect to amounts owing under this Section 11.5(b) shall be conclusive absent demonstrable error.

Section 11.6. Duties of Agent; Exculpatory Provisions. (a) The Agent's duties hereunder are solely ministerial and administrative in nature and the Agent shall not have any duties or obligations except those expressly set forth herein. Without limiting the generality of the foregoing, the Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, but shall be required to act or refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the written direction of the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein), provided, that, the Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent or any of its Affiliates to liability or that is contrary to this Agreement or applicable law.

(b) The Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 12.1, 11.1 or 10.1) or (ii) in the absence of its own gross negligence, bad faith or willful misconduct. The Agent shall be deemed not to have knowledge of any Unmatured Event of Default or Event of Default or the event or events that give or may give rise to any Unmatured Event of Default or Event of Default unless and until the Company or any Lender shall have given notice to the Agent describing such Event of Default and such event or events.

(c) Neither the Agent nor any member of the Agent's Group shall be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty, representation or other information made or supplied by or on behalf of the Company or any of its Subsidiaries in or in connection with this Agreement or the Information Memorandum, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith or the adequacy, accuracy and/or completeness of the information contained therein, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Unmatured Event of Default or Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement or any other agreement, instrument or document or the perfection or priority of any Lien or security interest created or purported to be created hereby or (v) the satisfaction of any condition set forth in Section 9 or elsewhere herein, other than (but subject to the foregoing clause (ii)) to confirm receipt of items expressly required to be delivered to the Agent.

(d) Nothing in this Agreement shall require the Agent or any of its Related Parties to carry out any "know your customer" or other checks in relation to any person on behalf of any Lender and each Lender confirms to the Agent that it is solely responsible for any such

checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Agent or any of its Related Parties.

Section 11.7. Reliance by Agent. The Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and correct and to have been signed, sent or otherwise authenticated by the proper Person or Persons. The Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Committed Loan, that by its terms must be fulfilled to the satisfaction of a Lender, the Agent may presume that such condition is satisfactory to such Lender unless an officer of the Agent responsible for the transactions contemplated hereby shall have received notice to the contrary from such Lender prior to the making of such Committed Loan, and such Lender shall not have made available to the Agent such Lender's ratable portion of the applicable Committed Loan. The Agent may consult with legal counsel (who may be counsel for the Company), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 11.8. Delegation of Duties. The Agent may perform any and all of its duties and exercise its rights and powers hereunder by or through any one or more sub agents appointed by the Agent. The Agent and any such sub agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. Each such sub agent and the Related Parties of the Agent and each such sub agent shall be entitled to the benefits of all provisions of this Section 11 and Section 12.5 and subject to the duties and obligations of the Agent under the Agreement (as though such sub-agents were the "Agent" hereunder) as if set forth in full herein with respect thereto. The Agent shall not be responsible for the negligence or misconduct of any sub-agent that it selects in the absence of gross negligence, bad faith or willful misconduct.

Section 11.9. Resignation of Agent. The Agent may resign as Agent upon 30 days' notice to the Lenders and the Company. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the

Company, to appoint a successor reasonably acceptable to the Company (such consent of the Company not to be unreasonably withheld or delayed and not required if an Event of Default under Section 10.1.1 or 10.1.3 has occurred and is continuing) from among the Lenders, which shall be a commercial bank organized under the laws of the United States of America or any State thereof or the District of Columbia or under the laws of another country which is doing business in the United States of America and having a combined capital, surplus and undivided profits of at least $1,000,000,000. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Agent gives notice of its resignation (such 30-day period, the "Lender Appointment Period"), then the retiring Agent may on behalf of the Lenders, appoint a successor Agent meeting the qualifications set forth above. In addition and without any obligation on the part of the retiring Agent to appoint, on behalf of the Lenders, a successor Agent, the retiring Agent may at any time upon or after the end of the Lender Appointment Period notify the Company and the Lenders that no qualifying Person has

accepted appointment as successor Agent and the effective date of such retiring Agent's resignation. Upon the resignation effective date established in such notice and regardless of whether a successor Agent has been appointed and accepted such appointment, the retiring Agent's resignation shall nonetheless become effective and (i) the retiring Agent shall be discharged from its duties and obligations as Agent hereunder (other than with respect to its own gross negligence, bad faith or willful misconduct concerning any actions taken or omitted to be taken by it while it was Agent under this Agreement) and (ii) all payments, communications and determinations provided to be made by, to or through the Agent shall instead be made by or to each Lender directly, until such time as the Required Lenders appoint a successor Agent as provided for above in this paragraph. Upon the acceptance of a successor's appointment as Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties as Agent of the retiring (or retired) Agent, and the retiring Agent shall be discharged from all of its duties and obligations as Agent hereunder (if not already discharged therefrom as provided above in this paragraph). The fees payable by the Company to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Company and such successor. After any retiring Agent's resignation hereunder as Agent, the provisions of this Section 11 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under this Agreement.

Section 11.10. Non-Reliance on Agent and Other Lenders. (a) Each Lender confirms to the Agent, each other Lender and each of their respective Related Parties that it (i) possesses (individually or through its Related Parties) such knowledge and experience in financial and business matters that it is capable, without reliance on the Agent, any other Lender or any of their respective Related Parties, of evaluating the merits and risks (including tax, legal, regulatory, credit, accounting and other financial matters) of (x) entering into this Agreement, (y) making Committed Loans and other extensions of credit hereunder and (z) in taking or not taking actions hereunder and thereunder, (ii) is financially able to bear such risks and (iii) has determined that entering into this Agreement and making Committed Loans and other extensions of credit hereunder is suitable and appropriate for it.

(b) Each Lender acknowledges that (i) it is solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with this Agreement, (ii) that it has, independently and without reliance upon the Agent, any other Lender or any of their respective Related Parties, made its own appraisal and investigation of all risks associated with, and its own credit analysis and decision to enter into, this Agreement based on such documents and information, as it has deemed appropriate and (iii) it will, independently and without reliance upon the Agent, any other Lender or any of their respective Related Parties, continue to be solely responsible for making its own appraisal and investigation of all risks arising under or in connection with, and its own credit analysis and decision to take or not take action under, this Agreement based on such documents and information as it shall from time to time deem appropriate, which may include, in each case:

(i) the financial condition, status and capitalization of the Company;

(ii) the legality, validity, effectiveness, adequacy or enforceability of this Agreement and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with this Agreement;

(iii) determining compliance or non-compliance with any condition hereunder to the making of a Committed Loan and the form and substance of all evidence delivered in connection with establishing the satisfaction of each such condition;

(iv) the adequacy, accuracy and/or completeness of the Information Memorandum and any other information delivered by the Agent, any other Lender or by any of their respective Related Parties under or in connection with this Agreement, the transactions contemplated hereby and thereby or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with this Agreement.

Section 11.11. The Register; the Committed Notes.

(a) The Agent, acting as a non-fiduciary agent on behalf of the Borrower, shall maintain at the Payment Office a register for the inscription of the names and addresses of Lenders and the Commitments and Committed Loans of, and principal amounts and interest owing to, each Lender from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Lenders, and the Agent may treat each Person whose name is inscribed in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Company, the Borrower, the Agent, or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(b) The Agent shall inscribe in the Register the Commitments and the Committed Loans from time to time of each

Lender, the amount of each Lender's participation in outstanding Committed Loans and each repayment or prepayment in respect of the principal amount of the Committed Loans of each Lender, the principal and other amounts owing from time to time by the Borrower in respect of each Committed Loan to each Lender of such Committed Loans and the dates on which the Loan Period for each such Committed Loan shall begin and end. Any such inscription shall be conclusive and binding on the Borrower and each Lender, absent manifest or demonstrable error; provided, that, failure to make any such inscription, or any error in such inscription, shall not affect any of the Borrower's obligations in respect of the applicable Committed Loans; and provided further, that, in such case, the Borrower and the Agent shall be entitled to continue to deal solely and directly with the Lender inscribed in the Register with respect to such Committed Loans.

(c) Each Lender shall record on its internal records the amount of each Committed Loan made by it and each payment in respect thereof; provided, that, in the event of any inconsistency between the Register and any Lender's records, the inscriptions in the Register shall govern, absent manifest or demonstrable error.

(d) If so requested by any Lender by written notice to the Company (with a copy to Agent) at least two Business Days prior to the Closing Date or at any time thereafter, the Borrower shall execute and deliver to such Lender (and/or, if so specified in such notice, any Person who is an assignee of such Lender pursuant to Section 12.4.1 hereof) promptly after receipt of such notice, a Committed Note substantially in the form of Exhibit B hereto.

Section 11.12. No Other Duties, etc. Anything herein to the contrary notwithstanding, no Person acting as "Joint Bookrunner", "Joint Lead Arranger",

"Documentation Agent" or "Syndication Agent" listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement, except in its capacity, as applicable, as the Administrative Agent or as a Lender hereunder.

SECTION 12. GENERAL

Section 12.1. Waiver; Amendments. No delay on the part of the Agent, any Lender, or the holder of any Committed Loan in the exercise of any right, power or remedy shall operate as a waiver thereof, nor shall any single or partial exercise by any of them of any right, power or remedy preclude other or further exercise thereof, or the exercise of any other right, power or remedy. No amendment, modification or waiver of, or consent with respect to, any provision of this Agreement or the Committed Notes shall in any event be effective unless the same shall be in writing and signed and delivered by the Obligors (or, in the case of the Committed Notes, the Borrower), the Agent and by the Non-Defaulting Lenders having an aggregate Percentage of not less than the aggregate Percentage expressly designated herein with respect thereto or, in the absence of such designation as to any provision of this Agreement or the Committed Notes, by the Required Lenders, and then any amendment, modification, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No amendment, modification, waiver or consent (i) shall change the definition of "Required Lenders" or "Percentage" in Section 1, amend, waive, change or otherwise modify the terms of Section 3.6, Section 5.2(a), Section 10.1.1, or this Section 12.1, release all or substantially all of the Guarantors (except the release of any Guarantor pursuant to a transaction otherwise permitted hereunder), or otherwise change the aggregate Percentage required to effect an amendment, modification, waiver or consent without the written consent of the Obligors and all Non-Defaulting Lenders, (ii) shall modify or waive any of the conditions precedent specified in Section 9.1 for the making of any Committed Loan without the written consent of the Obligors and the Lender which is to make such Committed Loan or (iii) shall (other than in accordance with Section 12.9(a)) extend the scheduled maturity, increase the amount of, or reduce the principal amount of, or rate of interest on, reduce or waive any fee hereunder or extend the due date for or waive any amount payable under, any Commitment or Committed Loan without the written consent of the Obligors and the applicable Lender holding the Commitment or Committed Loan adversely affected thereby. No provisions of Section 12 or any provision herein affecting the rights and duties of the Agent in its capacity as such shall be amended, modified or waived without the Agent's written consent.

Section 12.2. Notices.

(a) Subject to paragraphs (b) through (f) of this Section 12.2, all notices, requests and demands to or upon the respective parties hereto to be effective shall be either (x) in writing (including by telecopy, encrypted or unencrypted) or (y) as and to the extent set forth in Section 12.2(b) and in the proviso to this Section 12.2(a) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered or, in the case of telecopy or e-mail notice, when received, addressed to the Borrower, the Agent or such Lender (or other holder) at its address shown across from its name on Schedule III hereto or at such other address as it may, by written notice received by the other parties to this Agreement, have designated as its address for such purpose; provided, that any notice, request or demand to

or upon the Agent or the Lenders pursuant to Sections 2.2(a) or 4.2 shall not be effective until received.

(b) Each Obligor hereby agrees that, unless otherwise requested by the Agent, it will provide to the Agent all information, documents and other materials that it is obligated to furnish to the Agent pursuant to this Agreement, including all notices, requests, financial statements, financial and other reports, certificates and other information materials, but excluding any such communication that (i) relates to a request for a new, or a conversion of an existing, borrowing or other extension of credit (including any election of an interest rate or interest period relating thereto), (ii) relates to the payment of any principal or other amount due under this

Agreement prior to the scheduled date therefor, (iii) provides notice of any Unmatured Event of Default or Event of Default under this Agreement, (iv) is required to be delivered to satisfy any condition precedent to the effectiveness of this Agreement and/or any borrowing or other extension of credit hereunder or (v) initiates or responds to legal process (all such non-excluded information being referred to herein collectively as the "Communications") by transmitting the Communications in an electronic/soft medium (with such Communications to contain any required signatures) in a format acceptable to the Agent to global.loans.support@citi.com (or such other e-mail address designated by the Agent from time to time); provided, that, if requested in writing by any Lender, the Company will provide to such Lender a hard copy of its financial statements required to be provided hereunder.

(c) Each party hereto agrees that the Agent may make the Communications available to the Lenders by posting the Communications on DebtDomain or another relevant website, if any, to which each Lender and the Agent have access (whether a commercial, third-party website or whether sponsored by the Agent) (the "Platform"). Nothing in this Section 12.2 shall prejudice the right of the Agent to make the Communications available to the Lenders in any other manner specified in this Agreement.

(d) The Company hereby acknowledges that certain of the Lenders may be "public-side" Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to the Company or its securities) (each, a "Public Lender"). The Company hereby agrees that (i) Communications that are to be made available on the Platform to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof, (ii) by marking Communications "PUBLIC," the Company shall be deemed to have authorized the Agent and the Lenders to treat such Communications as either publicly available information or not material information (although it may be sensitive and proprietary) with respect to the Company or its securities for purposes of United States Federal and state securities laws, (iii) all Communications marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Lender," and (iv) the Agent shall be entitled to treat any Communications that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Lender."

(e) Each Lender agrees that e-mail notice to it (at the address provided pursuant to the next sentence and deemed delivered as provided in the next paragraph) specifying that Communications have been posted to the Platform shall constitute effective delivery of such Communications to such Lender for purposes of this Agreement. Each Lender agrees (i) to

notify the Agent in writing (including by electronic communication) from time to time to ensure that the Agent has on record an effective e-mail address for such Lender to which the foregoing notice may be sent by electronic transmission and (ii) that the foregoing notice may be sent to such e-mail address.

(f) Each party hereto acknowledges that (i) the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution, (ii) the Platform is provided "as is" and "as available," (iii) none of the Agent, its affiliates nor any of their respective officers, directors, employees, agents, advisors or representatives (collectively, the "Agent Parties") warrants the adequacy, accuracy or completeness of the Communications or the Platform, and each Agent Party expressly disclaims liability for errors or omissions in any Communications or the Platform, and (iv) no warranty of any kind, express, implied or statutory, including any warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with any Communications or the Platform.

Section 12.3. Computations.

(a) Subject to Section 12.3(b), where the character or amount of any asset or liability or item of income or expense is required to be determined, or any consolidation or other accounting computation is required to be made, for the purpose of this Agreement, such determination or calculation shall, at any time and to the extent applicable and except as otherwise specified in this Agreement, be made in accordance with GAAP. If (i) at any time any material change in GAAP or (ii) on the Closing Date any "End of Lease Assets" are reclassified as goodwill on such date, and in each case the application thereof or such reclassification would affect the computation or interpretation of any financial ratio, requirement or other provision set forth in this Agreement, and either the Company or the Agent shall so request, the Agent and the Company shall negotiate in good faith to amend such ratio, requirement or other provision to preserve the original intent thereof in light of such change in GAAP or the application thereof or such reclassification (it being understood, however, that such ratio, requirement or other provision shall remain in full force and effect in accordance with their existing terms pending the execution by the Company and the Required Lenders of any such amendment); provided that, until so amended, (A) such ratio, requirement or other provision shall continue to be computed or interpreted in accordance with GAAP or the application thereof prior to such change therein or such reclassification and (B) in the case of any relevant calculation, the Company shall provide to the Agent and the Lenders a written unaudited reconciliation in form and substance reasonably satisfactory to the Agent, between calculations of such ratio, requirement or other provision made before and after giving effect to such change in GAAP or the application thereof or such reclassification.

(b) Notwithstanding the foregoing or any other provision of this Agreement, the adoption or issuance of any accounting standards after December 31, 2015 will not cause any rental obligation that was not or would not have been Capitalized Rentals prior to such adoption or issuance to be deemed Capitalized Rentals.

(c) In the event that (i) any accounting standard that is adopted or issued after December 31, 2015 would, but for

the provisions of Section 12.3(b), cause any rental obligation that was not or would not have been Capitalized Rentals prior to such adoption or issuance to be deemed Capitalized Rentals and (ii) the effect of Section 12.3(b) shall materially impact the calculation of the financial covenants in this Agreement, then the Company thereafter shall provide, at the time of delivery of financial statements pursuant to Sections 8.1.1 and 8.1.2, to the Administrative Agent and the Lenders financial statements and other documents required or as reasonably requested under this Agreement to, as applicable, provide an unaudited estimated reconciliation of such financial covenant at the close of each quarterly period with respect to the treatment of Capitalized Leases and Capitalized Rentals, calculated using GAAP as in effect before such adoption or issuance and GAAP as in effect after such adoption or issuance.

Section 12.4. Assignments; Participations. Each Lender may assign, or sell participations in, its Committed Loans and its Commitment to one or more other Persons in accordance with this Section 12.4 (and, subject to compliance by the applicable Lender with Section 12.6, the Company consents to the disclosure of any information obtained by any Lender in connection herewith to any actual or prospective Assignee or Participant).

12.4.1 Assignments. Any Lender may with the written consents of the Company and the Agent (which consents will not be unreasonably withheld or delayed) at any time assign and delegate to one or more Eligible Assignees (any Person to whom an assignment and delegation is made being herein called an "Assignee") all or any fraction of such Lender's Committed Loans and Commitment; each such assignment of a Lender's Commitment shall be in the minimum amount of $10,000,000 or in integral multiples of $1,000,000 in excess thereof; provided that, in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Committed Loans at the time owing to it, no minimum amount need be assigned; provided, further, that no such consent from the Company shall be required if, at such time, an Event of Default under Section 10.1.1 or 10.1.3 has occurred and is continuing; provided, further, that, any such Assignee will comply, if applicable, with the provisions contained in Section 5.4; provided, further, the Company may withhold consent to the assignment of any Lender's Committed Loans and Commitment to an Assignee for whom it is illegal to make a LIBOR Rate Loan described in Section 12.9(b)(iii) or that the Borrower would be required to compensate for any withholding or deductions described in clauses (i) or (ii) of Section 12.9(b) that are in excess of any such withholding or deductions the Borrower would be required to compensate to such assigning Lender, and any such withholding of consent by the Company is and hereby will be deemed to be reasonable; and provided, further, that the Borrower and the Agent shall be entitled to continue to deal solely and directly with such assigning Lender in connection with the interests so assigned and delegated to an Assignee until such assigning Lender and/or such Assignee shall have consummated such assignment:

(i) given written notice of such assignment and delegation, together with payment instructions, addresses and related information with respect to such Assignee, substantially in the form of Exhibit D, to the Company and the Agent;

(ii) provided evidence satisfactory to the Company and the Agent that, as of the date of such assignment and delegation the Obligors will not be required to pay any costs, fees, taxes or other amounts of any kind or nature (including under Section 12.5) with

respect to the interest assigned in excess of those payable by the Obligors with respect to such interest prior to such assignment;

(iii) paid to the Agent for the account of the Agent a processing fee of $3,500; provided that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment; and

(iv) provided to the Agent evidence reasonably satisfactory to the Agent that the assigning Lender has complied with the provisions of Section 11.10.

Upon receipt of the foregoing items and the consents of the Company and the Agent, and subject to the acceptance and recordation of the assignment by the Agent pursuant to Section 11.11, (x) the Assignee shall be deemed automatically to have become a party hereto and, to the extent that rights and obligations hereunder have been assigned and delegated to such Assignee, such Assignee shall have the rights and obligations of a Lender hereunder and under the other instruments and documents executed in connection herewith and (y) the assigning Lender, to the extent that rights and obligations hereunder have been assigned and delegated by it, shall be released from its obligations hereunder, except as specified in the last sentence of Section 12.6. The Agent may from time to time (and upon the request of the Company or any Lender after any change therein shall) distribute a revised Schedule I indicating any changes in the Lenders party hereto or the respective Percentages of such Lenders and update the Register. Within five Business Days after the Company's receipt of notice from the Agent of the effectiveness of any such assignment and delegation, if requested by the Assignee in accordance with Section 11.11, the Borrower shall execute and deliver to the Agent (for delivery to the relevant Assignee) new Committed Notes in favor of such Assignee and, if the assigning Lender has retained Committed Loans and a Commitment hereunder and if so requested by such Lender in accordance with Section 11.11, replacement Committed Notes in favor of the assigning Lender (such Committed Notes to be in exchange for, but not in payment of, the Committed Notes previously held by such assigning Lender). Each such Committed Note shall be dated the date of the predecessor Committed Notes. The assigning Lender shall promptly mark the predecessor Committed Notes, if any, "exchanged" and deliver them to the Borrower. Any attempted assignment and delegation not made in accordance with this Section 12.4.1 shall be null and void.

The foregoing consent requirement shall not be applicable in the case of, and this Section 12.4.1 shall not restrict, any assignment or other transfer by any Lender of all or any portion of such Lender's Committed Loans or Commitment to any Federal Reserve Bank or the European Central Bank (provided, that, such Federal Reserve Bank or European Central Bank shall not be considered a "Lender" for purposes of this Agreement).

Notwithstanding any other provision set forth in this Agreement, any Lender may at any time create a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender to a Federal Reserve Bank in accordance with

Regulation A of the Board of Governors of the Federal Reserve System or other similar central bank; provided, that, no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender party hereto.

The Company, each Lender, and each Assignee acknowledge and agree that after receipt by the Agent of the items and consents required by this Section 12.4.1 each Assignee shall be considered a Lender for all purposes of this Agreement (including Sections 5.4, 6.1, 6.4, 12.5 and 12.6) and by its acceptance of an assignment herein, each Assignee agrees to be bound by the provisions of this Agreement (including Section 5.4).

12.4.2 Participations. Any Lender may at any time without the consent of the Company or the Agent sell to one or more Eligible Assignees or any Affiliate thereof which is not a Disqualified Lender and is engaged in making, purchasing or otherwise investing in commercial loans in the ordinary course of its business (any such Eligible Assignee or Affiliate being herein called a "Participant") participating interests in any of its Committed Loans, its Commitment or any other interest of such Lender hereunder; provided, however, that

(a) no participation contemplated in this Section 12.4.2 shall relieve such Lender from its Commitment or its other obligations hereunder;

(b) such Lender shall remain solely responsible for the performance of its Commitment and such other obligations hereunder and such Lender shall retain the sole right and responsibility to enforce the obligations of the Obligors hereunder, including the right to approve any amendment, modification or waiver of any provision of this Agreement (subject to Section 12.4.2(d) below);

(c) the Borrower and the Agent shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement;

(d) no Participant, unless such Participant is an Affiliate of such Lender, or is itself a Lender, shall be entitled to require such Lender to take or refrain from taking any action hereunder, except that such Lender may agree with any Participant that such Lender will not, without such Participant's consent, take any actions of the type described in the third sentence of Section 12.1;

(e) no Obligor shall be required to pay any amount under Sections 3.1, 5.4 or 6.1 that is greater than the amount which such Obligor would have been required to pay had no participating interest been sold;

(f) no Participant may further participate any interest in any Committed Loan (and each participation agreement shall contain a restriction to such effect);

(g) to the extent permitted by applicable law, each Participant shall be considered a Lender for purposes of Section 5.4, Section 6.1, Section 6.4, Section 12.5 and Section 12.6 and by its acceptance of a participating interest in any Committed Loan, Commitment or any other interest of a Lender hereunder, each Participant agrees that it is bound by, and agrees to deliver all documentation required under, the provisions of Section 5.2(b) and Section 5.4 as if such Participant were a Lender (it being understood that the documentation required under Section 5.4 shall be delivered to the participating Lender);

(h) such Lender shall have provided to the Agent evidence reasonably satisfactory to the Agent that such Lender has complied with the provisions of the last sentence of Section 11.6; and

(i) each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Committed Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans or other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Agent (in its capacity as Agent) shall have no responsibility for maintaining a Participant Register.

Any Lender (a "Granting Lender") may grant to a special purpose funding vehicle organized under the laws of the United States of America or any State thereof (a "SPV") of such Granting Lender, identified as such in writing from time to time by the Granting Lender to the Agent, the Company and the Borrower, the option to provide to the Borrower all or any part of its Committed Loans that such Granting Lender would otherwise be obligated to make to the Borrower pursuant to this Agreement; provided, that, (i) such SPV shall be deemed to be a Participant for purposes of this Section 12.4.2, (ii) nothing herein shall constitute a commitment by any SPV to make any Committed Loan, (iii) if a SPV elects not to exercise such option or otherwise fails to provide all or any part of such Committed Loan, the Granting Lender shall be obligated to make such Committed Loan pursuant to the terms hereof and (iv) the Company shall not be required to pay any amount under Sections 12.5 or 12.7 that is greater than the amount which the Company would

have been required to pay had such SPV not provided the Borrower with any part of any Committed Loan of such Granting Lender. The making of a Committed Loan by a SPV hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Committed Loan were made by such Granting Lender. Each party hereto hereby agrees that no SPV shall be liable for any indemnity or similar payment obligation under this Agreement (any indemnity, liability or other payment obligation, including but not limited to any tax liabilities that occur by reason of such funding by the SPV, shall remain the obligation of the Granting Lender). In furtherance of the foregoing, each party hereto agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior indebtedness of any SPV, it will not institute against, or join any other Person in instituting against, such SPV any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings under the laws of the United States or any State thereof. In addition, notwithstanding anything contrary contained in this Section 12.4.2, any SPV may (i) with notice to, but without the prior written consent of, the Company and the Agent and without paying any processing fee therefor, assign all or a portion of its interests in any Committed Loans to the Granting Lender providing liquidity and/or credit support to or for the account of such SPV to

support the funding or maintenance of Committed Loans and (ii) disclose on a confidential basis any non-public information relating to its Committed Loans to any rating agency, commercial paper dealer or provider of any surety, guarantee or credit or liquidity enhancement to such SPV. This paragraph may not be amended without the written consent of any SPV at the time holding all or any part of any Committed Loans under this Agreement (which consent shall not be unreasonably withheld or delayed).

Section 12.5. Costs, Expenses and Taxes. The Company agrees to pay on demand (a) all reasonable out-of-pocket costs and expenses of the Agent (including the reasonable fees and out-of-pocket expenses of a single counsel for the Agent (and of local counsel, if any, who may be retained by said counsel)), in connection with the preparation, execution, delivery and administration of, and any amendment to, this Agreement, the Committed Notes and all other instruments or documents provided for herein or delivered or to be delivered hereunder or in connection herewith and (b) all out-of-pocket costs and expenses (including reasonable attorneys' fees and legal expenses and allocated costs of staff counsel) incurred by the Agent and each Lender in connection with the enforcement of this Agreement, the Committed Notes or any such other instruments or documents. Each Lender agrees to reimburse the Agent for such Lender's pro rata share (based upon its respective Percentage determined at the time such reimbursement is sought) of any such costs or expenses incurred by the Agent on behalf of all the Lenders and not paid by the Obligors other than any fees and out-of-pocket expenses of counsel for the Agent which exceed the amount which the Company or the Borrower has agreed with the Agent to reimburse. In addition, without duplication of the provisions of Section 5.4, each Obligor agrees to pay, and to hold the Agent and the Lenders harmless from all liability for, any stamp, court or documentary, intangible, recording, filing or similar Taxes which may be payable in connection with the execution, delivery and enforcement of this Agreement, the borrowings hereunder, the issuance of the Committed Notes (if any) or the execution, delivery and enforcement of any other instruments or documents provided for herein or delivered or to be delivered hereunder or in connection herewith, except, in each case, any such Taxes that are Other Connection Taxes imposed with respect to an assignment or participation. All obligations provided for in this Section 12.5 shall survive repayment of the Committed Loans, cancellation of the Committed Notes or any termination of this Agreement.

Section 12.6. Confidentiality. Each of the Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective managers, administrators, trustees, partners, directors, officers, employees, agents, advisors and other representatives (it being understood that (i) no disclosure of Information shall be made by the Agent or any Lender to an Affiliate and such Affiliate's respective managers, administrators, trustees, partners, directors, officers, employees, agents, advisors and other representatives if such Affiliate is a Disqualified Lender and (ii) the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any Committed Note or any action or proceeding relating to this Agreement or any Committed Note or the enforcement of

rights hereunder or thereunder, (f) subject to a confidentiality agreement with or other contractual, legal, or fiduciary obligation of confidentiality to the Company containing provisions substantially the same as those of this Section 12.6, to (i) any assignee of or participant in, or any prospective assignee of or participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective party (or its managers, administrators, trustees, partners, directors, officers, employees, agents, advisors and other representatives) to any swap or derivative or similar transaction under which payments are to be made by reference to the Company and its obligations, this Agreement or payments hereunder, (iii) any rating agency, or (iv) the CUSIP Service Bureau or any similar organization, (g) with the prior written consent of the Company or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section 12.6 or (y) becomes available to the Agent, any Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Company. With respect to any disclosure under Section 12.6(c), each of the Agent and the Lenders, as applicable, shall use commercially reasonable efforts to promptly notify the Company, to the extent legally permissible and practicable under the circumstances, so as to permit the Company to obtain a protective order as to such disclosure, and each of the Agent and the Lenders will reasonably cooperate (to the extent practicable and permitted by their respective then existing policies) with the Company for such purpose.

For purposes of this Section, "Information" means all information received from the Company or any of its Subsidiaries relating to the Company or any of its Subsidiaries or any of their respective businesses, other than any such information that is available to the Agent or any Lender on a nonconfidential basis prior to disclosure by the Company or any of its Subsidiaries, provided, that, in the

case of information received from the Company or any of its Subsidiaries after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. With respect to any Lender or Agent, the obligations of such Lender or Agent pursuant to this Section 12.6 shall terminate on the first anniversary of the earlier of the Termination Date and the date on which such Lender or Agent ceases to be a party hereto.

Section 12.7. Indemnification. In consideration of the execution and delivery of this Agreement by the Agent and the Lenders, but without duplication of the provisions of Section 5.4, each Obligor hereby agrees to indemnify, exonerate and hold each of the Lenders, the Agent, the Arrangers, the Affiliates of each of the Lenders, the Arrangers and the Agent, and each of the officers, directors, employees, agents and advisors of the Lenders, the Arrangers, the Agent and the Affiliates of each of the Lenders, the Arrangers and the Agent (collectively herein called the "Lender Parties" and individually called a "Lender Party") free and harmless from and against any and all actions, causes of action, suits, losses, liabilities, damages and expenses, including reasonable attorneys' fees and disbursements (collectively herein called the "Indemnified Liabilities"), incurred by the Lender Parties or any of them as a result of, or arising out of, or relating to (i) this Agreement, the Committed Notes (if any) or the Committed Loans or (ii) the direct or indirect use of proceeds of any of the Committed Loans or any credit extended hereunder, except (x) for any such Indemnified Liabilities arising on account of such Lender Party's gross negligence, bad faith or willful misconduct as determined by a court

of competent jurisdiction in a final and nonappealable judgment and (y) to the extent such Indemnified Liabilities result from any dispute solely among Indemnified Parties other than any claims against Agent in its capacity or in fulfilling its role as Agent under this Agreement and other than any claims arising out of any act or omission on the part of the Company or any Obligor, and if and to the extent that the foregoing undertaking may be unenforceable for any reason, the Obligors hereby agree to make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable law. Each Obligor agrees not to assert any claim against the Lender Parties on any theory of liability, for consequential, indirect, special or punitive damages arising out of or otherwise relating to this Agreement and the Committed Notes (if any) or any of the transactions contemplated hereby or thereby or the actual or proposed use of the proceeds of the Committed Loans. All obligations provided for in this Section 12.7 shall survive repayment of the Committed Loans, cancellation of the Committed Notes (if any) or any termination of this Agreement. This Section 12.7 shall not apply with respect to Taxes other than Taxes that represent losses, claims, damages or similar items arising from any non-Tax claim.

Section 12.8. Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among the parties hereto, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) The application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) The effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any EEA Resolution Authority.

Section 12.9. Extension of Termination Dates; Removal of Lenders; Substitution of Lenders. (a) At any time and from time to time after the Closing Date, the Borrower may, at its option, request all the Lenders then party to this Agreement to extend their scheduled Termination Dates by an additional one year period, or such shorter period as agreed upon by the Borrower and the Agent, by means of a letter substantially in the form of Exhibit E

hereto (each, an "Extension Request"), addressed to the Agent (who shall promptly deliver such Extension Request to each Lender). Each Lender electing (in its sole discretion) to extend its scheduled Termination Date shall execute and deliver not later than the 10th Business Day after delivery of the Extension Request to Lenders, counterparts of such Extension Request to the Borrower and the Agent, who shall notify the Borrower, in writing, of the Lenders' decisions no later than the 15th Business Day after delivery of the Extension Request to the Lenders, whereupon (unless Lenders with an aggregate Percentage of 50% or more decline to extend their respective scheduled Termination Dates, in which event the Agent shall notify all the Lenders and the Borrower thereof and no such extension shall occur) such Lender's scheduled Termination Date shall be extended, effective only as of the date that is such Lender's then-current scheduled Termination Date, to the date that is one year, or such shorter period as agreed as provided above, after such Lender's then-current scheduled Termination Date. Any Lender that declines or fails to respond to the Borrower's request for such extension shall be deemed to

have not extended its scheduled Termination Date. Notwithstanding anything to the contrary in this Agreement, the Borrower shall not effectuate any such extension of the Termination Date (x) more than two times during the term of this Agreement, (y) no more than once in any consecutive 12-month period and (z) that would result in the scheduled Termination Date, after giving effect to such extension, that is greater than four years.

(b) In addition to its rights to remove any Defaulting Lender under Section 4.1(b), with respect to any Lender (i) on account of which the Borrower is required to make any deductions or withholdings or pay any additional amounts, as contemplated by Section 5.4, (ii) on account of which the Borrower is required to pay any additional amounts, as contemplated by Section 6.1, (iii) for which it is illegal to make a LIBOR Rate Loan, as contemplated by Section 6.3, (iv) which has declined to (a) extend such Lender's scheduled Termination Date under Section 12.9, or (b) consent to an amendment, modification or waiver and, in each case, Lenders with an aggregate Percentage in excess of 50% have elected to extend their respective Termination Dates or consent to such amendment, modification or waiver, the Borrower may, in its discretion, upon not less than 30 days' prior written notice to the Agent and each Lender, remove such Lender as a party hereto. Each such notice shall specify the date of such removal (which shall be a Business Day), which shall thereupon become the scheduled Termination Date for such Lender.

(c) In the event that any Lender does not extend its scheduled Termination Date pursuant to subsection (a) above or is the subject of a notice of removal pursuant to subsection (b) above, then, at any time prior to the Termination Date for such Lender (a "Terminating Lender"), the Borrower may, at its option, arrange to have one or more other Eligible Assignees (which may be a Lender or Lenders, or if not a Lender, shall be reasonably acceptable to the Agent (such acceptance not to be unreasonably withheld or delayed), and each of which shall herein be called a "Successor Lender") with the approval of the Agent (such approval not to be unreasonably withheld or delayed) succeed to all or a percentage of the Terminating Lender's outstanding Committed Loans, if any, and rights under this Agreement and assume all or a like percentage (as the case may be) of such Terminating Lender's undertaking to make Committed Loans pursuant hereto and other obligations hereunder (as if (i) in the case of any Lender electing not to extend its scheduled Termination Date pursuant to subsection (a) above, such Successor Lender had extended its scheduled Termination Date pursuant to such subsection (a) and (ii) in the case of any Lender that is the subject of a notice of removal

pursuant to subsection (b) above, no such notice of removal had been given by the Borrower). Such succession and assumption shall be effected by means of one or more agreements supplemental to this Agreement among the Terminating Lender, the Successor Lender, the Borrower and the Agent. On and as of the effective date of each such supplemental agreement (i) each Successor Lender party thereto shall be and become a Lender for all purposes of this Agreement and to the same extent as any other Lender hereunder and shall be bound by and entitled to the benefits of this Agreement in the same manner as any other Lender and (ii) the Borrower agrees to pay to the Agent for the account of the Agent a processing fee of $3,500 for each such Successor Lender which is not a Lender.

(d) On the Termination Date for any Terminating Lender, such Terminating Lender's Commitment shall terminate and the Borrower shall pay in full all of such Terminating Lender's Committed Loans (except to the extent assigned pursuant to subsection (c) above) and all other amounts payable to such Lender hereunder (including any amounts payable pursuant to Section 5.4 on account of such payment); provided, that, if an Event of Default or Unmatured Event of Default exists on the date scheduled as any Terminating Lender's Termination Date, payment of such Terminating Lender's Committed Loans shall be postponed to (and, for purposes of calculating commitment fees under Section 3.4 and determining the Required Lenders (except as provided below), but for no other purpose, such Terminating Lender's Commitment shall continue until) the first Business Day thereafter on which (i) no Event of Default or Unmatured Event of Default exists (without regard to any waiver or amendment that makes this Agreement less restrictive for the Borrower, other than as described in clause (ii) below) or (ii) the Required Lenders (which for purposes of this subsection (d) shall be determined based upon the respective Percentages and aggregate Commitments of all Lenders other than any Terminating Lender whose scheduled Termination Date has been extended pursuant to this proviso) waive or amend the provisions of this Agreement to cure all existing Events of Default or Unmatured Events of Default or agree to permit any borrowing hereunder notwithstanding the existence of any such event. In the event that Citibank or its Affiliates shall become a Terminating Lender, the provisions of Section 11.9 shall apply with respect to Citibank in its capacity as Agent.

(e) To the extent that all or a portion of any Terminating Lender's obligations are not assumed pursuant to subsection (c) above, the Aggregate Commitment shall be reduced on the applicable Termination Date and each Lender's percentage of the reduced Aggregate Commitment shall be revised pro rata to reflect such Terminating Lender's absence. The Agent shall distribute a revised Schedule I indicating such revisions promptly after the applicable Termination Date and update the Register accordingly. Such revised Schedule I shall be deemed conclusive in the absence of demonstrable error.

Section 12.10. Captions. Section captions used in this Agreement are for convenience only and shall not affect the construction of this Agreement.

Section 12.11. Governing Law; Jurisdiction; Severability. THIS AGREEMENT AND EACH NOTE SHALL BE A CONTRACT MADE UNDER, GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK. EACH OBLIGOR IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE COURTS

OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF SITTING IN NEW YORK

COUNTY, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST ANY OBLIGOR OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION. All obligations of the Obligors and the rights of the Agent, the Lenders and any other holders of the Committed Loans expressed herein or in the Committed Notes (if any) shall be in addition to and not in limitation of those provided by applicable law. Whenever possible each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

Each Obligor agrees that service of all writs, process and summonses in any such action or proceeding brought in the courts of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof sitting in New York County, may be made upon AerCap, Inc., presently located in the United States located at 100 NE Third Avenue, Suite 800, Fort Lauderdale, Florida 33301 (the "Process Agent"), and each Obligor confirms and agrees that the Process Agent has been duly and irrevocably appointed as its agent and true and lawful attorney in fact in its name, place and stead to accept such service of any and all such writs, process and summonses, and agrees that the failure of the Process Agent to give any notice of any such service of process to any Obligor shall not impair or affect the validity of such service or of any judgment based thereon.

Section 12.12. Counterparts; Effectiveness. This Agreement may be executed in any number of counterparts and by the different parties on separate counterparts and each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement. Delivery of a counterpart via facsimile or electronic mail, including by email with a ".pdf" copy hereof attached, shall constitute delivery of an original counterpart. When counterparts of this Agreement executed by each party shall have been lodged with the Agent (or, in the case of any Lender as to which an executed counterpart shall not have been so lodged, the Agent shall have received facsimile, electronic mail or other written confirmation of execution of a counterpart hereof by such Lender), this Agreement shall become effective as of the date hereof and the Agent shall so inform all of the parties hereto.

Section 12.13. Further Assurances. Each Obligor agrees to do such other acts and things, and to deliver to the Agent and each Lender such additional agreements, powers and instruments, as the Agent or any Lender may reasonably require or deem advisable to carry into effect the purposes of this Agreement or to better assure and confirm unto the Agent and each Lender their respective rights, powers and remedies hereunder.

Section 12.14. Successors and Assigns. This Agreement shall be binding upon the Obligors, the Lenders and the Agent and their respective successors and assigns, and shall inure to the benefit of the Obligors, the Lenders and the Agent and the respective successors and assigns of the Lenders and the Agent. Except as expressly provided herein, the Borrower may not assign any of its rights or delegate any of its duties under this Agreement without the prior written consent of all of the Lenders.

Section 12.15. Judgment. (a) If for the purposes of obtaining judgment in any court it is necessary to convert a sum due hereunder in Dollars into another currency, the parties hereto agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Agent could purchase Dollars with such other currency at the Agent's principal office in New York at 11:00 a.m. (New York City time) on the Business Day preceding that on which final judgment is given.

(b) If for the purposes of obtaining judgment in any court it is necessary to convert a sum due hereunder in another currency into Dollars, the parties agree to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Agent could purchase such currency with Dollars at the Agent's principal office in New York at 11:00 a.m. (New York City time) on the Business Day preceding that on which final judgment is given.

(c) The obligation of each Obligor in respect of any sum due from it in any currency (the "Primary Currency") to any Lender or the Agent hereunder shall, notwithstanding any judgment in any other currency, be discharged only to the extent that on the Business Day following receipt by such Lender or the Agent (as the case may be), of any sum adjudged to be so due in such other currency, such Lender or the Agent (as the case may be) may in accordance with normal banking procedures purchase the applicable Primary Currency with such other currency; if the amount of the applicable Primary Currency so purchased is less than such sum due to such Lender or the Agent (as the case may be) in the applicable Primary Currency, each Obligor agrees, as a separate obligation and notwithstanding any such judgment, to indemnify such Lender or the Agent (as the case may be) against such loss, and if the amount of the applicable Primary Currency so purchased exceeds such sum due to any Lender or the Agent (as the case may be) in the applicable Primary Currency, such Lender or the Agent (as the case may be) agrees to remit to such Obligor such excess.

Section 12.16. Waiver of Jury Trial. EACH OBLIGOR, THE AGENT AND EACH LENDER HEREBY WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS AGREEMENT, ANY COMMITTED NOTE OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HEREWITH OR ARISING

RELATIONSHIP EXISTING IN CONNECTION WITH THIS AGREEMENT, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

Section 12.17. No Fiduciary Relationship. Each Obligor acknowledges that neither the Agent nor any Lender has any fiduciary relationship with, or fiduciary duty to, such Obligor arising out of or in connection with this Agreement, the Committed Notes (if any) or the transactions contemplated hereby, and the relationship between the Agent and the Lenders, on the one hand, and such Obligor, on the other, in connection herewith or therewith is solely that of creditor and debtor. This Agreement does not create a joint venture among the parties. Each Obligor understands that each Lender and its Affiliates (collectively referred to in this Section 12.17 as a "group") is engaged in a wide range of financial services and businesses (including investment management, financing, securities trading, corporate and investment banking and research) and that members of each group generally act independently of each other, both for their own account and for the account of clients. Accordingly, there may be situations where parts of a group and/or their clients either now have or may in the future have interests, or take actions, that may conflict with the interests of the Obligors. For example, a group may, in the ordinary course of business, engage in trading in financial products or undertake other investment businesses for their own account or on behalf of other clients, including without limitation, trading in or holding long, short or derivative positions in securities, loans or other financial products of the Obligors or their Affiliates or other entities connected with the credit facility provided for herein or the transactions contemplated hereby. In recognition of the foregoing, each Obligor agrees that no group is required to restrict its activities as a result of this Agreement and that each group may undertake any business activity, including acts in relation to any matter for any other Person whose interests may be adverse to an Obligor or any of its Affiliates, without further consultation with or notification to any Obligor.

Section 12.18. USA Patriot Act. Each Lender and the Agent (for itself in such capacity and not on behalf of any Lender) hereby notifies each Obligor that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies each Obligor, which information includes the name and address of such Obligor and other information that will allow such Lender or the Agent, as applicable, to identify each Obligor in accordance with the Act. Each Obligor shall provide, to the extent commercially reasonable, such information and take such actions as are reasonably requested by the Agent or any Lenders in order to assist the Agent and the Lenders in maintaining compliance with the Act.

Section 12.19. Existing Credit Agreement; Effect of Amendment and Restatement;.

(a) Prior to the Closing Date, the Existing Credit Agreement shall remain in full force and effect and nothing in this Agreement or the other Loan Documents shall be deemed to amend, modify or otherwise affect the Existing Credit Agreement and the other "Loan Documents" under in the Existing Credit Agreement. On and after the Closing Date, (i) the Existing Credit Agreement and the other "Loan Documents" under the Existing Credit Agreement shall terminate and have no further force and effect and (ii) the Existing Credit Agreement shall be amended and restated in the form of this Agreement and the Existing Credit

Agreement and the other "Loan Documents" thereunder shall be replaced in full by this Agreement and the other Loan Documents.

(b) Each of (v) Citibank, in its capacity as the "Agent" under the Existing Credit Agreement, (w) the Lenders party hereto, in their capacities as "Lenders" under the Existing Credit Agreement, (x) the Company, in its capacity as the "Company" under the Existing Credit Agreement, (y) the Borrower, in its capacity as the "Borrower" under the Existing Credit Agreement, and (z) each Subsidiary Guarantor, in its capacity as a "Subsidiary Guarantor" under the Existing Credit Agreement, hereby:

(i) consents, on the Closing Date, to (A) the termination of the Existing Credit Agreement and the other "Loan Documents" thereunder and (B) the replacement in full of the Existing Credit Agreement and the other "Loan Documents" thereunder with this Agreement and the other Loan Documents on the Closing Date;

(ii) waives any requirement of prior notice in respect of the termination of commitments under the Existing Credit Agreement on the Closing Date; and

(iii) agrees that, with respect to each "Lender" under the Existing Credit Agreement that declines or fails to enter into this Agreement as a Lender hereunder on the Closing Date (other than any such "Lender" under the Existing Credit Agreement that becomes a Lender hereunder on or prior to the Closing Date pursuant to Section 4.4) (each, a "Replaced Lender"), effective as of the Closing Date, each such Replaced Lender's "Commitment" under the Existing Credit Agreement shall terminate, each such Replaced Lender shall be released from all obligations under the Existing Credit Agreement and the Borrower shall be required to prepay all of such Replaced Lender's "Committed Loans" outstanding under the Existing Credit Agreement and pay all interest, fees and other amounts owing, as of the Closing Date, to such Replaced Lender under the Existing Credit Agreement.

SECTION 13. GUARANTEE

Section 13.1. The Guarantee. The Guarantors hereby jointly and severally guarantee to each Lender and the Administrative Agent and their respective successors and assigns the prompt payment in full when due upon the expiration of any applicable remedial period (whether at stated maturity, by acceleration or otherwise) of the obligations, whether direct or indirect, absolute or contingent, now or hereafter from time to time owing to the Lenders or the Administrative Agent by the Borrower or any other Obligor under this Agreement or any of the other Loan Documents, in each case strictly in accordance with the terms hereof and thereof and including all monetary obligations incurred during the pendency of any bankruptcy, insolvency, examinership, receivership or other similar proceeding of the Borrower, regardless of whether allowed or allowable in such proceeding (such obligations being herein collectively called the "Guaranteed Obligations"). The Guarantors hereby further jointly and

severally agree that if the Borrower shall fail to pay in full when due upon the expiration of any applicable remedial period (whether at stated maturity, by acceleration or otherwise) any of the Guaranteed Obligations, the Guarantors will promptly pay the same, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of the Guaranteed Obligations, the same will be promptly paid in full when due (whether at extended maturity, by acceleration or otherwise) in accordance with the terms of such extension or renewal.

Section 13.2. Obligations Unconditional. The obligations of the Guarantors under Section 13.1 are absolute and unconditional, joint and several, irrespective of the value, genuineness, validity, regularity or enforceability of the obligations of the Borrower under this Agreement or any other agreement or instrument referred to herein, or any substitution, release or exchange of any other guarantee of or security for any of the Guaranteed Obligations, and, to the fullest extent permitted by applicable law, irrespective of any other circumstance whatsoever that might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor, it being the intent of this Section 13 that the obligations of the Guarantors hereunder shall be primary obligations of payment and not of collection, absolute and unconditional, joint and several, under any and all circumstances (and any defenses thereto are hereby waived by the Guarantors). Without limiting the generality of the foregoing, it is agreed that the occurrence of any one or more of the following shall not alter or impair the liability of the Guarantors hereunder (and any such defense are hereby waived), which shall remain absolute and unconditional as described above:

(i) at any time or from time to time, without notice to the Guarantors, the time for any performance of or compliance with any of the Guaranteed Obligations shall be extended, or such performance or compliance shall be waived;

(ii) any of the acts mentioned in any of the provisions of this Agreement or any other agreement or instrument referred to herein shall be done or omitted;

(iii) the maturity of any of the Guaranteed Obligations shall be accelerated, or any of the Guaranteed Obligations shall be modified, supplemented or amended in any respect, or any right under this Agreement or any other agreement or instrument referred to herein shall be waived or any other guarantee of any of the Guaranteed Obligations or any security therefor shall be released or exchanged in whole or in part or otherwise dealt with;

(iv) any law or regulation of any jurisdiction or any other event affecting any term of a Guaranteed Obligation; or

(v) any lien or security interest granted to, or in favor of, the Administrative Agent or any Lender or Lenders as security for any of the Guaranteed Obligations shall fail to be perfected.

The Guarantors hereby expressly waive diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that the Administrative Agent or any Lender exhaust any right, power or remedy or proceed against the Borrower under this Agreement or any other agreement or instrument referred to herein, or against any other Person

under any other guarantee of, or security for, any of the Guaranteed Obligations. The Guarantors expressly confirm that they shall obtain substantial direct and indirect benefit from the giving of the Guarantee pursuant to this Agreement.

Section 13.3. Reinstatement. The obligations of the Guarantors under this Section shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of the Borrower in respect of the Guaranteed Obligations is rescinded or must be otherwise restored by any holder of any of the Guaranteed Obligations, whether as a result of any proceedings in bankruptcy, liquidation, examinership or reorganization or otherwise, and the Guarantors jointly and severally agree that they will indemnify the Administrative Agent and each Lender on demand for all reasonable costs and expenses (including fees of counsel) incurred by the Administrative Agent or such Lender in connection with such rescission or restoration, including any such costs and expenses incurred in defending against any claim alleging that such payment constituted a preference, fraudulent transfer or similar payment under any bankruptcy, liquidation, examinership, insolvency or similar law.

Section 13.4. Subrogation. The Guarantors hereby jointly and severally agree that until the payment and satisfaction in full of all Guaranteed Obligations and the expiration and termination of the Commitments of the Lenders under this Agreement they shall not exercise any right or remedy arising by reason of any performance by them of their guarantee in Section 13.1, whether by subrogation or otherwise, against the Borrower or any other guarantor of any of the Guaranteed Obligations or any security for any of the Guaranteed Obligations.

Section 13.5. Remedies. The Guarantors jointly and severally agree that, as between the Guarantors and the Lenders, the obligations of the Borrower under this Agreement may be declared to be forthwith due and payable as provided in Section 10 (and shall be deemed to have become automatically due and payable in the circumstances provided in Section 10) for purposes of Section 13.1 notwithstanding any stay, injunction or other prohibition preventing such declaration (or such obligations from becoming automatically due and payable) as against the Borrower and that, in the event of such declaration (or such obligations being deemed to have become automatically due and payable), such obligations (whether or not due and payable by the Borrower) shall forthwith become due and payable by the Guarantors for purposes of Section 13.1.

Section 13.6. Continuing Guarantee. The guarantee in this Section 13 is a continuing guarantee, and shall apply to all Guaranteed Obligations whenever arising. Each Guarantor agrees that the guarantee in this Section 13 is a guarantee of payment and not of collection.

Section 13.7. Indemnity and Rights of Contribution. The Borrower and the Guarantors hereby agree, as between themselves, that (a) if a payment of any Guaranteed Obligations shall be made by any Subsidiary Guarantor under this Agreement, the Borrower and the Company shall indemnify such Subsidiary Guarantor for the full amount of such payment and (b) if any Subsidiary Guarantor shall become an Excess Funding Guarantor (as defined below) by reason of the payment by such Subsidiary Guarantor of any Guaranteed Obligations that shall not have been fully indemnified by the Borrower or the Company, then the other

Subsidiary Guarantors shall, on demand of such Excess Funding Guarantor (but subject to the next sentence), pay to such Excess Funding Guarantor an amount equal to such Subsidiary Guarantor's Pro Rata Share (as defined below and determined, for this purpose, without reference to the properties, debts and liabilities of such Excess Funding Guarantor) of the Excess Payment (as defined below) in respect of such Guaranteed Obligations. The payment obligation of the Borrower or the Company to any Subsidiary Guarantor or of a Subsidiary Guarantor to any Excess Funding Guarantor under this Section shall be subordinate and subject in right of payment to the prior payment in full of the obligations of such Obligor under the other provisions of this Agreements, including this Section 13, and such Subsidiary Guarantor or Excess Funding Guarantor, as the case may be, shall not exercise any right or remedy with respect to such excess until payment and satisfaction in full of all of such obligations.

For purposes of this Section, (i) "Excess Funding Guarantor" means, in respect of any Guaranteed Obligations, a Subsidiary Guarantor that has paid an amount in excess of its Pro Rata Share of such Guaranteed Obligations, (ii) "Excess Payment" means, in respect of any Guaranteed Obligations, the amount paid by an Excess Funding Guarantor in excess of its Pro Rata Share of such Guaranteed Obligations and (iii) "Pro Rata Share" means, for any Subsidiary Guarantor, the ratio (expressed as a percentage) of (x) the amount by which the aggregate present fair saleable value of all properties of such Subsidiary Guarantor (excluding any shares of stock or other equity interest of any other Subsidiary Guarantor) exceeds the amount of all the debts and liabilities of such Subsidiary Guarantor (including contingent, subordinated, unmatured and unliquidated liabilities, but excluding the obligations of such Subsidiary Guarantor hereunder and any obligations of the other Subsidiary Guarantors that have been Guaranteed by such Subsidiary Guarantor) to (y) the amount by which the aggregate fair saleable value of all properties of all of the Subsidiary Guarantors exceeds the amount of all the debts and liabilities (including contingent, subordinated, unmatured and unliquidated liabilities, but excluding the obligations of the Subsidiary Guarantors hereunder) of all of the Subsidiary Guarantors, determined (A) with respect to any Subsidiary Guarantor that is a party hereto on the Closing Date, as of the Closing Date, and (B) with respect to any other Subsidiary Guarantor, as of the date such Subsidiary Guarantor becomes a Subsidiary Guarantor hereunder.

Section 13.8. General Limitation on Guarantee Obligations. In any action or proceeding involving any state corporate law, or any state or Federal bankruptcy, insolvency, reorganization or other law affecting the rights of creditors generally, if the obligations of any Guarantor under Section 13.1 would otherwise, taking into account the provisions of Section 13.7, be held or determined to be void, invalid or unenforceable, or subordinated to the claims of any other creditors, on account of the amount of its liability under Section 13.1, then, notwithstanding any other provision hereof to the contrary, the amount of such liability shall, without any further action by such Guarantor, any Lender, the Administrative Agent or any other Person, be automatically limited and reduced to the highest amount that is valid and enforceable and not subordinated to the claims of other creditors as determined in such action or proceeding.

Section 13.9. Releases.

(a) In the event of (i) a sale or other transfer or disposition of all of the Capital Stock in any Subsidiary Guarantor to any Person that is not an Affiliate of the Company in compliance with Section 8.9 or (ii) the sale or other transfer or disposition, by way of merger,

consolidation or otherwise, of assets or Capital Stock of a Subsidiary Guarantor substantially as an entirety to a Person that is not an Affiliate of the Company in compliance with the terms of Section 8.9, then, without any further action on the part of the Administrative Agent or any Lender, such Subsidiary Guarantor (or the Person concurrently acquiring such assets of such Subsidiary Guarantor) shall be deemed automatically and unconditionally released and discharged of any obligations under the guarantee of such Subsidiary Guarantor of the Guaranteed Obligations, as evidenced by a written instrument or confirmation executed by the Administrative Agent, upon the request and at the expense of the Company. Upon delivery by the Company to the Administrative Agent of an officers' certificate stating that such sale or other disposition was made by the Company in accordance with the provisions of this Agreement, including Section 8.9, the Administrative Agent will execute any documents required in order to evidence the release of any Subsidiary Guarantor from its obligations under its guarantee of the Guaranteed Obligations.

(b) In addition, the guarantee of a Subsidiary Guarantor of the Guaranteed Obligations will be released:

(i) if the Subsidiary Guarantor (other than ILFC or any Subsidiary that is or becomes a Subsidiary Guarantor on the Closing Date) ceases to be a guarantor under any Capital Markets Debt or unsecured Credit Facilities, including the guarantee that resulted in the obligation of such Subsidiary Guarantor to guarantee the Guaranteed Obligations, and is released or discharged from all obligations thereunder; or

(ii) upon the expiration or termination of the Commitments and the payment in full of all obligations of the Obligors under this Agreement and under the Committed Notes (other than unasserted contingent indemnification and expense reimbursement obligations).

(c) Any Subsidiary Guarantor not released from its obligations under its guarantee of the Guaranteed Obligations as provided in this Section 13.9 will remain liable for the full amount of the Guaranteed Obligations as provided in this Section 13.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

AERCAP IRELAND CAPITAL DESIGNATED ACTIVITY COMPANY

By: /s/ Thomas Kelly
Name: Thomas Kelly
Title: Director

GUARANTORS

AERCAP HOLDINGS N.V.

By: /s/ Anna Olsson
Name: Anna Olsson
Title: Authorised Signatory

AERCAP HOLDINGS N.V.

By: /s/ Marnix den Heijer
Name: Marnix den Heijer
Title: Authorised Signatory

AERCAP AVIATION SOLUTIONS B.V.

By: /s/ Jan-Willem Dekkers
Name: Jan-Willem Dekkers
Title: Director

AERCAP IRELAND LIMITED

SIGNED AND DELIVERED AS A DEED

By: /s/ Thomas Kelly
As attorney of AERCAP IRELAND LIMITED

In the presence of:

Signature of witness: /s/ Ken Faulkner

Name of witness: Ken Faulkner

Address of witness: 4450 Atlantic Avenue, Westpark, Shannon, Co. Clare.

Occupation of witness: Chartered Secretary

AERCAP GLOBAL AVIATION TRUST

By: /s/ Thomas Kelly
Name: Thomas Kelly
Title: Chief Executive Officer

AERCAP U.S. GLOBAL AVIATION LLC

By: /s/ Thomas Kelly
Name: Thomas Kelly
Title: Director

INTERNATIONAL LEASE FINANCE CORPORATION

By: /s/ Patrick Ross
Name: Patrick Ross
Title: Vice President

AGENT

CITIBANK, N.A.

By: /s/ Maureen P. Maroney
Name: Maureen P. Maroney
Title: Vice President

LENDERS

CITIBANK, N.A.

By: /s/ Maureen P. Maroney
Name: Maureen P. Maroney
Title: Vice President

MIZUHO BANK, LTD.

By: /s/ Donna DeMagistris
Name: Donna DeMagistris
Title: Authorized Signatory

BARCLAYS BANK PLC,

By: /s/ May Huang
Name: May Huang
Title: Assistant Vice President

JPMORGAN CHASE BANK, N.A.

By: /s/ Christina Caviness
Name: Christina Caviness
Title: Vice President

ABBEY NATIONAL TREASURY SERVICES PLC

By: /s/ Edmund Porves
Name: Edmund Porves
Title: Managing Director

ABBEY NATIONAL TREASURY SERVICES PLC

By: /s/ M. Thomas
Name: M. Thomas
Title: Director

BANK OF AMERICA, N.A.

By: /s/ Christopher Choi
Name: Christopher Choi
Title: Director

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK

By: /s/ Julien Clamou
Name: Julien Clamou
Title: Authorized Signatory

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK

By: /s/ Franck Genet
Name: Franck Genet
Title: Authorized Signatory

DEUTSCHE BANK AG NEW YORK BRANCH

By: /s/ Virginia Cosenza
Name: Virginia Cosenza
Title: Vice President

DEUTSCHE BANK AG NEW YORK BRANCH

By: /s/ Ming K. Chu
Name: Ming K. Chu
Title: Director

Morgan Stanley Bank N.A.

By: /s/ Michael King
Name: Michael King
Title: Authorized Signatory

Morgan Stanley Senior Funding Inc

By: /s/ Michael King
Name: Michael King
Title: Vice President

Royal Bank of Canada

By: /s/ Scott Umbs
Name: Scott Umbs
Title: Authorized Signatory

CREDIT SUISSE AG, Cayman Islands Branch

By: /s/ Doreen Barr
Name: Doreen Barr
Title: Authorized Signatory

CREDIT SUISSE AG, Cayman Islands Branch

By: /s/ Nicholas Goss
Name: Nicholas Goss
Title: Authorized Signatory

GOLDMAN SACHS BANK USA

By: /s/ Ryan Durkin
Name: Ryan Durkin
Title: Authorized Signatory

BNP PARIBAS

By: /s/ Antoine Treguer
Name: Antoine Treguer

Title: Director, Aviation Finance Group

BNP PARIBAS

By: /s/ Bertrand Dehouck
Name: Bertrand Dehouck
Title: Managing Director, Head of Aviation EMEA

SunTrust Bank

By: /s/ Doug Kennedy
Name: Doug Kennedy
Title: Director

HSBC BANK PLC

By: /s/ Colette Pithie
Name: Colette Pithie
Title: Associate Director

WELLS FARGO BANK, N.A.

By: /s/ William R. Eustis
Name: William R. Eustis
Title: Managing Director

MUFG Bank (Europe) N.V.

By: /s/ C.W. Uphols

Name: C.W. Uphols
Title: Managing Director

MUFG Bank (Europe) N.V.

By: /s/ Pepijn Linker
Name: Pepijn Linker
Title: Director

APPLE BANK FOR SAVINGS

By: /s/ Jonathan C. Byron
Name: Jonathan C. Byron
Title: Senior Vice President

SOCIETE GENERALE, LONDON BRANCH

By: /s/ Francois Pannetier
Name: Francois Pannetier
Title: Managing Director

CITIZENS BANK, N.A.

By: /s/ Mark Kauffman
Name: Mark Kauffman
Title: Assistant Vice President

Fifth Third Bank

By: /s/ James Schmalz
Name: James Schmalz
Title: Vice President

The Bank of East Asia, Limited, Los Angeles Branch

By: /s/ Chong Tan
Name: Chong Tan
Title: VP & Credit Manager

The Bank of East Asia, Limited, Los Angeles Branch

By: /s/ Simon Keung
Name: Simon Keung
Title: General Manager

Exhibit 2.87

FIFTH AMENDMENT TO CREDIT AGREEMENT

FIFTH AMENDMENT (this "**Amendment**"), dated as of August 2, 2017, between Flying Fortress Holdings, LLC, a Delaware limited liability company (the "**Borrower**") (as successor to Flying Fortress, Inc., a California corporation), International Lease Finance Corporation, a California corporation ("**ILFC**"), Flying Fortress Financing LLC, a Delaware limited liability company ("**Parent Holdco**"), Flying Fortress US Leasing Inc., a California corporation ("**CA Subsidiary Holdco**"), Flying Fortress Ireland Leasing Limited, a private company limited by shares incorporated under the laws of Ireland ("**Irish Subsidiary Holdco**"), AerCap Global Aviation Trust, a Delaware statutory trust ("**Financing Trust**"), AerCap U.S. Global Aviation LLC, a Delaware limited liability company ("**USHoldco**"), AerCap Holdings N.V., a public company with limited liability incorporated under the laws of The Netherlands ("**AerCap**"), AerCap Aviation Solutions B.V., a private company with limited liability incorporated organized under the laws of The Netherlands ("**AAS**"), AerCap Ireland Limited, a private company limited by shares incorporated under the laws of Ireland ("**AIL**") and AerCap Ireland Capital Designated Activity Company, a designated activity company incorporated under the laws of Ireland ("**AICDAC**" and together with USHoldco, AerCap, AAS and AIL, the "**Additional Obligors**"), Bank of America, N.A., as Collateral Agent and Administrative Agent, and Royal Bank of Canada, to the Term Loan Credit Agreement, dated as of February 23, 2012 (as amended by the First Amendment to Credit Agreement, dated as of April 5, 2013, and by the Second Amendment to Term Loan Credit Agreement, dated as of April 2, 2014 (as amended by an amendment dated as of May 7, 2014), and by the Third Amendment to Credit Agreement, dated as of May 6, 2015, and by the Fourth Amendment to Credit Agreement, dated as of December 21, 2016, and as further amended, restated, supplemented or otherwise modified through the date hereof, the "**Credit Agreement**"), between the Borrower, ILFC, Parent Holdco, CA Subsidiary Holdco, Irish Subsidiary Holdco, Financing Trust, the Additional Obligors, the Lenders party thereto, Bank of America, N.A., as Collateral Agent and Administrative Agent and Deutsche Bank Securities Inc. as Syndication Agent.

WHEREAS, the parties hereto (other than the New Lenders (as defined below)) are party to the Credit Agreement;

WHEREAS, the terms used herein, including in the preamble and recitals hereto, not otherwise defined herein or otherwise amended hereby shall have the meanings ascribed thereto in the Credit Agreement;

WHEREAS, the parties hereto desire to amend the Credit Agreement in certain respects as set forth herein;

WHEREAS, each Lender party to the Credit Agreement immediately prior to the effectiveness of this Amendment which is executing a counterpart of this Amendment (each, a "**Consenting Lender**") desires to consent to the amendments set forth herein and, in connection therewith, in respect of its Loans, has the choice to elect either (a) Option A (as defined below) or (b) Option B (as defined below);

WHEREAS, each Lender that does not desire to consent to the amendments set forth herein by executing a counterpart of this Amendment and electing Option A or Option B in accordance with the terms hereof (each, a "**Non-Consenting Lender**") wishes to cease to be a party to the Credit Agreement as a "Lender" thereunder;

WHEREAS, each Lender that is not a party to the Credit Agreement immediately prior to the effectiveness of this Amendment, and which is executing a counterpart of this Amendment (each, a "**New Lender**") wishes to consent to the amendments set forth herein and to become a party to the Credit Agreement and a Lender thereunder;

WHEREAS, subject to certain conditions, such amendments and modifications shall include the addition of a new term loan facility (the loans thereunder, the "**New Loans**"), which shall be composed of the proceeds of new advances used to replace the outstanding Loans and/or the conversion of outstanding Loans under the Credit Agreement (the "**Existing Loans**") to New Loans, in each case that will be governed by the terms of this Amendment;

WHEREAS, the New Loans will have the same terms as the Existing Loans except as otherwise set forth herein;

WHEREAS, each Lender party to the Credit Agreement immediately prior to the effectiveness of this Amendment (each, an "**Existing Lender**") that is a Consenting Lender agrees to convert its Existing Loans to New Loans in a principal amount up to the aggregate outstanding principal amount of its Existing Loans if it has elected Option A (if any) (the "**Continued Loans**"), or agrees to make or purchase New Loans in a principal amount up to the aggregate outstanding principal amount of its Existing Loans if it has elected Option B, and further agrees to make or purchase any additional New Loans in an amount such Consenting Lender has separately agreed, in each case subject to the terms hereof; and

WHEREAS, each New Lender will make New Loans to Borrower on the Amendment Effective Date in the amount of its commitment subject to the terms hereof;

NOW, THEREFORE, the parties hereto agree that the Credit Agreement shall be amended as set forth herein, and the parties hereto otherwise agree as follows:

Section 1. Definitions. Except as otherwise defined herein, terms defined in the Credit Agreement are used herein as defined therein.

Section 2. Amendments. Subject to the satisfaction of the conditions precedent specified in Section 4 below,

but effective as of the Amendment Effective Date (as defined below), the Credit Agreement is hereby amended as follows:

2.01. General.

(a) References in the Loan Documents to "this Agreement" or the "Credit Agreement" or the like (and indirect references such as "hereunder", "hereby", "herein" and "hereof") shall be deemed to be references to the Credit Agreement as amended hereby.

(b) Each Consenting Lender and each New Lender shall be deemed to be a "Lender" under and for all purposes of the Credit Agreement and the other Loan Documents, and each New Loan shall be deemed to be a "Loan" under and for all purposes of the Credit Agreement and the other Loan Documents (except as the context may otherwise require).

(c) Notwithstanding the foregoing, the provisions of the Credit Agreement with respect to indemnification, reimbursement of costs and expenses, increased costs and break funding payments, in each case to the extent that such obligations by their express terms under the Credit Agreement survive a prepayment of the Loans, shall continue in full force and effect with respect to, and for the benefit of, each Existing Lender (including each Non-Consenting Lender) in respect of such Existing Lender's Existing Loans, and the amounts due and owing to any Existing Lender that accrued prior to the Amendment Effective Date shall be such amounts as determined in accordance with the Credit Agreement as in effect prior to the Amendment Effective Date; provided that no payments under Section 2.08(m) of the Credit Agreement or other break funding payments shall be due or payable to any Existing Lender with respect to the portion of any Existing Loans which is converted to New Loans pursuant to its election of Option A or equal to the amount of New Loans made or purchased by such Existing Lender pursuant to its election of Option B, and in no event is any Premium Amount with respect to the Existing Loans due and payable to any Existing Lender (whether a Consenting Lender or a Non-Consenting Lender).

(d) This Amendment shall additionally constitute a "Loan Document".

(e) Each reference to CUSIP numbers shall be deemed to be a reference to the following CUSIP numbers: "Deal CUSIP Number 34407JAA4, Facility CUSIP Number: 34407JAD8".

(f) No prepayment notice shall be required in respect of the prepayments effected in accordance with this Amendment, other than this Amendment and any communications with the Existing Lenders in connection herewith (including the Memorandum). In addition, no Borrowing Notice or Release Request, or other notice of borrowing or release request, shall be required in connection with any New Loan.

(g) Each Consenting Lender's and New Lender's Commitment and Applicable Percentage with respect to the New Loans shall be as notified to them by RBC Capital Markets, LLC (the "**Arranger**"). Each Consenting Lender's Commitment with respect to the New Loans shall be no greater than such Consenting Lender's Commitment was with respect to the Existing Loans unless otherwise agreed with the Arranger, and each New Lender's Commitment shall be no greater than the amount agreed with the Arranger; provided that the aggregate Commitments with respect to the New Loans shall be no greater than $750,000,000.

(h) All New Loans that are funded hereunder shall be deemed made immediately prior to the prepayment of any Loan. Accordingly, in connection with the conversion and/or prepayment of Existing Loans, and funding of New Loans, contemplated hereby, at all times Obligations shall remain outstanding under the Credit Agreement and no discharge or release of the Secured Obligations nor of any Security Document shall occur as result hereof.

2.02. Amended and Restated Definitions. Section 1.01 of the Credit Agreement shall be amended by amending and restating the following definitions in their entirety to read as follows:

"**Applicable Margin**" means 2.00% per annum; provided that for any period in which the Base Rate applies to the Loans, the Applicable Margin shall be 1.00% per annum.

"**Applicable Percentage**" means with respect to any Lender at any time, the percentage (carried out to the ninth decimal place) of the Aggregate Commitments represented by such Lender's Commitment at such time. If the commitment of each Lender to make Loans has been terminated pursuant to Article 6 or if the Aggregate Commitments have expired, then the Applicable Percentage of each Lender shall be determined based on the Applicable Percentage of such Lender most recently in effect, giving effect to any subsequent assignments. The initial Applicable Percentage as of the Fifth Amendment Effective Date of each Lender making New Loans on such date (including by way of conversion of its prior Loans) is as notified to such Lender in accordance with the Fifth Amendment or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable.

"**Arranger Entity**" means Merrill Lynch Pierce Fenner Smith Incorporated (or any other registered broker-dealer wholly-owned by Bank of America Corporation to which all or substantially all of Bank of America Corporation's or any of its subsidiaries' investment banking, commercial lending services or related businesses may be transferred following the Fifth Amendment Effective Date), RBC Capital Markets, LLC, Deutsche Bank Securities Inc., Santander UK plc and SG Americas Securities, LLC, and each of their respective Affiliates.

"**Commitment**" means, as to each Lender, its obligation to make the Loans to the Borrower pursuant to Section 2.01, in an aggregate principal amount at any one time outstanding not to exceed the amount as notified to such Lender in accordance with the Fifth Amendment or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement.

"**Extending Lender**" means "Consenting Lender", as defined in the Fifth Amendment.

"**LIBO Rate**" means, with respect to any Borrowing for any Interest Period, the greater of (a) zero and (b) the rate per annum equal to the ICE Benchmark Administration Limited LIBOR Rate ("ICE LIBOR"), as published on the applicable Bloomberg screen page (or other commercially available source providing quotations of ICE LIBOR as designated by the Administrative Agent (and agreed to by the Borrower, such consent of the Borrower not to be unreasonably withheld or delayed) from time to time) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period. If such rate is not available at such time for any reason, then the "LIBO Rate" with respect to such Borrowing for such

Interest Period shall be the greater of (a) zero and (b) the rate per annum determined by the Administrative Agent to be the rate at which deposits in Dollars for delivery on the first day of such Interest Period in same day funds in the approximate amount of the Loans and with a term equivalent to such Interest Period would be offered by Bank of America's London Branch to major banks in the London interbank eurodollar market at their request at approximately 11:00 a.m. (London time) two Business Days prior to the commencement of such Interest Period.

"**New Extended Loan**" means "New Loan", as defined in the Fifth Amendment.

"**New Extending Lender**" means "New Lender", as defined in the Fifth Amendment.

"**Premium Amount**" means, with respect to any principal amount being prepaid in connection with a Repricing Event, an amount equal to (a) except as provided in clause (b) below, 1% of such principal amount being prepaid if the date of such prepayment is made on or after the Fifth Amendment Effective Date but prior to the date ending six months thereafter or (b) $0.00 if (i) the date of such prepayment is on or after the six-month anniversary of the Fifth Amendment Effective Date, (ii) such prepayment is made in connection with an LTV Cure other than an LTV Cure to the extent attributable to a Removal (other than as described in the following clause (iii)) or to a Deemed Removal, (iii) such prepayment is made as a result of an Event of Loss of a Pool Aircraft or as a result of an event described in the second proviso of Appraised Value (except a Deemed Removal) or a Specified Representation Deficiency, provided that such prepaid amount does not exceed an amount equal to the Appraised Value (determined without having regard to the event giving rise to the prepayment) of such Pool Aircraft or (iv) pursuant to Section 9.06 (other than clause (iv) thereof).

2.03. New Definitions. Section 1.01 of the Credit Agreement shall be amended by adding the following definitions in appropriate alphabetical order:

"**Fifth Amendment**" means Fifth Amendment to Credit Agreement, dated as of August , 2017, among, *inter alios*, the Borrower, the other Borrower Parties, the Extending Lenders, the New Extending Lenders, the Administrative Agent and the Collateral Agent.

"**Fifth Amendment Effective Date**" means the "Amendment Effective Date", as defined in the Fifth Amendment.

2.04. Other Amendments

(a) Section 2.01 shall be amended by replacing the terms thereof with the following:

(a) On the Effective Date, subject to the terms and conditions and relying on the representations and warranties set forth herein, each Lender as of such date agreed to make a Loan to the Borrower in a principal amount equal to its Commitment by transfer of such amount to the

Administrative Agent as described in Section 2.03, in each case subject to the terms of this Agreement as in effect as of such date. On the Fifth Amendment Effective Date, subject to the terms and conditions and relying on the representations and warranties set forth herein and in the Fifth Amendment, each Extending Lender and each New Extending Lender agrees to make a New Extended Loan to the Borrower in a principal amount equal to its Commitment (in the case of certain Extending Lenders, by converting its Existing Loans to New Extended Loans, and in the case of certain Extending Lenders, by making or purchase of New Extended Loans, in each case to the extent provided pursuant to the terms of the Fifth Amendment). Other than as provided in the Fifth Amendment, the Loans and the Commitments hereunder are not revolving and amounts repaid or prepaid may not be reborrowed.

(b) Any undrawn portion of the Commitments shall automatically terminate immediately after the Borrowing of the New Extended Loans (including by way of conversion of Existing Loans (as defined in the Fifth Amendment) into New Extended Loans) on the Fifth Amendment Effective Date.

(b) Each reference to "Effective Date" in Section 2.02, 2.03 and 2.05(d) of the Credit Agreement shall be deemed to mean the Fifth Amendment Effective Date with respect to the New Loans, except that no Borrowing Request or Release Request shall be required and the Borrowing Date and Release Date for all New Loans shall be the Fifth Amendment Effective Date and each Lender's Applicable Percentage of the New Extended Loans shall be determined in accordance with the provisions of this Amendment.

(c) The following shall replace Section 2.03(d):

(d) Notwithstanding the foregoing or any other provision of the Credit Agreement, but subject only to satisfaction of conditions precedent to the occurrence of the Fifth Amendment Effective Date set forth in the Fifth Amendment, on the Fifth Amendment Effective Date, all of the proceeds of the New Extended Loans shall be applied to prepay the Existing Loans (as defined in the Fifth Amendment) and all Existing Loans that are not paid off shall be deemed converted to and continued as New Extended Loans.

(d) The following sentence shall be added to Section 3.04 of the Credit Agreement:

AerCap's audited consolidated financial statements as at December 31, 2016, which have been filed with the Securities and Exchange Commission, have been prepared in accordance with GAAP and fairly present the financial condition of AerCap and its Subsidiaries as at such date and the results of their operations for the period then ended.

(e) The following sentences shall be added to Section 3.15 of the Credit Agreement:

As of the Fifth Amendment Effective Date (and as also reflected on AerCap's consolidated balance sheet dated as of December 31, 2016, and confirmed by the Appraisals most recently delivered pursuant to this Agreement), the fair value of the assets of each of (x) AerCap and (y) the Borrower and its Subsidiaries taken as a whole, exceed their respective liabilities. As of the Fifth Amendment Effective Date, neither the Transaction Parties taken as a whole nor AerCap nor the Borrower is or will be rendered insolvent as a result of the transactions contemplated by this Agreement and the other Loan Documents.

(f) Section 3.17 of the Credit Agreement shall be amended by replacing the terms thereof with the following:

(a) Schedule 3.17(a) attached hereto, as amended from time to time pursuant to Section 2.10 and Section 5.09(a)(vii) hereof and pursuant to the Fifth Amendment is a true and correct list of all PS Pool Aircraft and the country of registration of such PS Pool Aircraft.

(b) Schedule 3.17(b) attached hereto, as supplemented from time to time pursuant to Section 2.10 and Section 5.09(a)(vii), and pursuant to the Fifth Amendment is a true and correct list of all Leases (including, without limitation, any head leases) in effect with respect to the PS Pool Aircraft and the name and jurisdiction of organization or incorporation of the applicable Lessees.

(g) Section 3.19 of the Credit Agreement shall be amended by replacing the words "Fourth Amendment" with the words "Fifth Amendment" in the following sentence: "The proceeds of the New Extended Loans will be used by the Borrower to refinance the Existing Loans (as defined in the Fourth Amendment)."

(h) The Credit Agreement shall be amended by adding the following new Section 9.20:

Section 9.20. *Lender ERISA Representation*. Each Lender represents and warrants as of the Fifth Amendment Effective Date or such later date that it becomes a Lender (by its execution and delivery of the Fifth Amendment or the Assignment and Assumption pursuant to which it became a Lender, as applicable), to the Administrative Agent and each Arranger Entity, and not, for the avoidance of doubt, for the benefit of the Borrower or any other Transaction Party (and in any event, unless otherwise agreed by the Administrative Agent in its sole discretion), either that

(a) (i) such Lender is not (A) an "employee benefit plan," as defined in Section 3(3) of ERISA or (B) a "plan" within the meaning of Section

4975(e) of the Code; (ii) the assets of such Lender do not constitute "plan assets" within the meaning of the United States Department of Labor Regulations set forth in 29 C.F.R. § 2510.3-101, as modified by Section 3(42) of ERISA; (iii) such Lender is not a "governmental plan" within the meaning of Section 3(32) of

ERISA; and (iv) transactions by or with such Lender are not subject to federal, state or local statutes applicable to Lender regulating investments of fiduciaries with respect to governmental plans; or

(b) (i) the entering into and performance of this Agreement and the obligations under this Agreement by such Lender, and the making or extension of the Loans by such Lender will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any law or regulation similar thereto; (ii) none of the Administrative Agent or any Arranger Entity is a fiduciary with respect to the assets of the Lender (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement or any documents related to this Agreement); (iii) the person or entity making the investment decision on behalf of such Lender with respect to the entering into and performance of this Agreement and the obligations under this Agreement by such Lender and the making or extension of the Loans (the "**Lender Fiduciary**") is (A) independent (within the meaning of 29 C.F.R. § 2510.3-21) and a person or entity described in 29 C.F.R. § 2510.3-21(c)(1)(i)(A)-(E); (B) capable of evaluating investment risks independently, both in general and with regard to particular transactions and strategies; and (C) a fiduciary with respect to the transactions contemplated hereby and is responsible for exercising independent judgment in evaluating such transactions; and (iv) no fee or other compensation is being paid directly to the Administrative Agent or any Arranger Entity for investment advice (as opposed to other services) in connection with the transactions contemplated hereby or by any Loan Document.

The Administrative Agent and each Arranger Entity hereby inform the Lenders that each such Person is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans, (ii) may recognize a gain if it extended the Loan for an amount less than the amount being paid for the Loan by such Person and/or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate

transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

2.05. Schedules and Exhibits. Schedules 3.17(a) and 3.17(b) of the Credit Agreement shall be amended by replacing such schedules and exhibits with the corresponding schedules and exhibits hereto.

2.06. Annexes. Annex 1 of the Credit Agreement shall be amended by replacing it with Annex 1 appended hereto.

Section 3. Representations and Warranties. The Borrower and each other Borrower Party represents and warrants to the Lenders that the representations and warranties of the Borrower Parties contained in Article 3 of the Credit Agreement (as amended hereby) and contained in each other Loan Document are true and correct on and as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they were true and correct as of such earlier date.

Section 4. Conditions Precedent. As provided in Section 2 above, the amendments to the Credit Agreement contemplated hereby shall become effective as of August , 2017 (the "**Amendment Effective Date**"), upon the satisfaction of the following conditions precedent, provided that such conditions precedent are satisfied on or prior to the Amendment Effective Date:

(a) The Administrative Agent (or its counsel) shall have received the signature pages to this Amendment duly executed by each of the Borrower, ILFC, Parent Holdco, CA Subsidiary Holdco, Irish Subsidiary Holdco, Financing Trust, USHoldco, AerCap, AAS, AIL, AICDAC, the Consenting Lenders and each New Lender.

(b) The Administrative Agent shall have received a favorable written opinion (addressed to each Lender Party and dated the Amendment Effective Date) of each of Clifford Chance US LLP with respect to New York law, Buchalter, P.C. with respect to California law, Morris, Nichols, Arsht & Tunnell LLP with respect to Delaware law, McCann Fitzgerald with respect to Irish law and Nauta Dutilh N.V. with respect to Dutch law, as to such matters as the Administrative Agent may reasonably request, dated as of the Amendment Effective Date and otherwise in form and substance reasonably satisfactory to the Administrative Agent.

(c) The representations and warranties of the Borrower Parties contained in Article 3 of the Credit Agreement (as amended hereby) and contained in each other Loan Document shall be true and correct on and as of the Amendment Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, and an Officer's Certificate of AerCap shall so certify on and as of the Amendment Effective Date to the Administrative Agent and the Lenders.

(d) The Administrative Agent shall have received evidence satisfactory to it that the outstanding principal amount of and interest on the Existing Loans of, and all

other amounts owing under or in respect of, the Credit Agreement to any Non-Consenting Lender and any Consenting Lender shall have been (or shall simultaneously with the making of the New Loans be) paid to each such Non-Consenting Lender, in accordance with Section 9.06 of the Credit Agreement, and each such Consenting Lender; provided that the interest payments made on the next Payment Date shall take into account the payments made under this Section 4(d).

(e) The Administrative Agent shall have received evidence satisfactory to it that each Consenting Lender electing Option B shall have received (or shall simultaneously with the making of the New Loans receive), payment of an amount equal to the outstanding principal amount of and interest on its Existing Loans subject to Option B.

(f) The Borrower shall have on or prior to the Amendment Effective paid all other fees and other amounts due and payable by it under the Credit Agreement, and all other out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder, under any Loan Document or as separately agreed between any Borrower Party and any arranger in respect of this Amendment.

(g) The Administrative Agent shall have received an LTV Certificate, dated as of the Amendment Effective Date based on the Appraisals most recently delivered pursuant to the Credit Agreement, and on the Amendment Effective Date (after giving effect to the prepayment of the Existing Loans and making of the New Loans pursuant hereto) the Borrower shall be in compliance with the Loan-to-Value Ratio.

(h) Each Lender who requests a Note and has returned its Note with respect to the Existing Loan (if any) to the Administrative Agent for cancellation (or the Administrative Agent, on behalf of each such Lender) shall have received a signed original of a Note with respect to its Loan, duly executed by the Borrower.

(i) Prior to the Amendment Effective Date, the Lenders shall have received all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the Patriot Act, as requested by such Lenders not less than three (3) Business Days prior to the Amendment Effective Date.

(j) On the Amendment Effective Date, no Default or Event of Default shall have occurred and be continuing.

(k) The Administrative Agent shall have received such documents and certificates as it or its counsel may reasonably request relating to the organization, existence and, if applicable, good standing of each Obligor, the authorization of the transactions contemplated by the Loan Documents and any other legal matters relating to the Obligors, the Loan Documents, the Collateral or the transactions contemplated hereby or thereby, all in form and substance reasonably satisfactory to the Administrative Agent and its counsel.

For purposes of determining compliance with the conditions specified in this Section 4, each Lender shall be deemed to have consented to, approved or accepted or to be satisfied with each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to the Lenders unless an officer of the Administrative Agent responsible for the transactions contemplated by this Amendment shall have received notice from such Lender prior to the Amendment Effective Date specifying its objection thereto. The Administrative Agent shall promptly notify the parties hereto of the occurrence of the Amendment Effective Date.

Section 5. Consent Options.

(a) As described in the memorandum for Lenders dated July 24, 2017 posted to Lenders in connection with this Amendment (the "**Memorandum**"), Consenting Lenders may elect either (a) a cashless roll as described in the Memorandum ("**Option A**") or (b) a cash roll as described in the Memorandum (the "**Option B**"). Election of either Option A or Option B shall be made by each Consenting Lender by indicating its election on the signature page hereto (a copy of which is attached to the Memorandum). Any Existing Lender executing a signature page hereto but not indicating its election on its signature page will be treated as a Non-Consenting Lender unless such Existing Lender otherwise indicates its election to the Arranger to the Arranger's satisfaction. By executing a signature page hereto, each Consenting Lender agrees to the procedures and terms set forth in the Memorandum.

(b) Each Consenting Lender electing Option B and each New Lender hereby irrevocably commits that it or its designee is an Eligible Assignee and that it shall make its New Loans and/or purchase and assume New Loans from Royal Bank of Canada (the "**Assignor**") promptly after the prepayment of its Existing Loans, in an amount equal to the aggregate amount of the Existing Loans previously held by it (or such lesser amount determined by the Assignor), and shall promptly execute and deliver (or cause its designee to execute and deliver) one or more Assignment and Assumptions reflecting such purchase provided to it by the Assignor.

(c) For purposes of clarification with respect to Section 9.05(a)(iii)(A) of the Credit Agreement, the Borrower hereby consents to each Consenting Lender and each New Lender.

Section 6. Non-Consenting Lenders. Subject to payment of amounts due and owing to them in accordance herewith, effective as of the Amendment Effective Date, each Non-Consenting Lender shall cease to be, and shall cease to have any of the rights and obligations of, a "Lender" under the Credit Agreement (except for those provisions that provide for their survival (including without limitation those provisions referred to in Section 9.07 of the Credit Agreement), which provisions shall survive and remain in full force and effect for the benefit of the Non-Consenting Lenders).

Section 7. Acknowledgement and Ratification. Each of the Borrower Parties hereby acknowledges that it has reviewed the terms and provisions of this Amendment and consents to the modifications effected pursuant to this Amendment. The Borrower and each Borrower Party hereby confirms that at all times Obligations remain outstanding under the Loan Documents and each Loan Document, as amended hereby, to which it is a party or otherwise

bound and all collateral encumbered thereby will continue to guarantee or secure, as the case may be, to the fullest extent provided in accordance with the Loan Documents, as amended hereby, the payment and performance of all Obligations, and confirms its grants to the Collateral Agent of a continuing lien on and security interest in and to all Collateral as collateral security for the prompt payment and performance in full when due of the Obligations. The Borrower and each Borrower Party hereby agrees and admits that as of the date hereof it has no defenses to or offsets against any of its obligations to the Administrative Agent or any Lender under the Loan Documents. Each Obligor (including each Additional Obligor) hereby ratifies and confirms its guaranty of the Guaranteed Obligations as set forth in Article 7 of the Credit Agreement, as amended hereby.

Section 8. Miscellaneous.

8.01. Instruction to Agents; No Other Amendments; Governing Law. Each Lender by its signature hereto instructs the Administrative Agent and the Collateral Agent to execute this Amendment. Except as herein provided, the Credit Agreement and the other Loan Documents shall remain unchanged and in full force and effect. This Amendment shall be governed by, and construed in accordance with, the law of the State of New York.

8.02. Electronic Execution of Assignments and Certain Other Documents. The words "execute," "execution," "signed," "signature," and words of like import in or related to any document to be signed in connection with this Amendment and the transactions contemplated hereby (including without limitation Assignment and Assumptions, amendments or other modifications, waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary the Administrative Agent is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it.

8.03. Counterparts; Integration; Effectiveness. This Amendment may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Amendment and any separate letter agreements with respect to fees payable to the Agents, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4, this Amendment shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or other electronic imaging means (e.g. "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Amendment.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the date first set forth above.

FLYING FORTRESS HOLDINGS LLC

By: /s/ Johan-Willem Dekkers
Name: Johan-Willem Dekkers
Title: Director

INTERNATIONAL LEASE FINANCE CORPORATION

By: /s/ Margaret Epstein
Name:

Title: Vice President

AERCAP GLOBAL AVIATION TRUST

By: /s/ Ken Faulkner
Name: Ken Faulkner
Title: Authorized Signatory

AERCAP U.S. GLOBAL AVIATION LLC

By: /s/ Ken Faulkner
Name: Ken Faulkner
Title: Authorized Signatory

FLYING FORTRESS FINANCING LLC

By: /s/ Ken Faulkner
Name: Ken Faulkner
Title: Authorized Signatory

FLYING FORTRESS US LEASING INC.

By: /s/ Margaret Epstein
Name: Margaret Epstein
Title: Vice President

SIGNED and **DELIVERED** as a **DEED**
by Ken Faulkner
as attorney for
FLYING FORTRESS IRELAND LEASING LIMITED

/s/ Ken Faulkner
Attorney

in the presence of

/s/ Orlagh Bannon
Name: Orlagh Bannon
Address: 4450 Atlantic Avenue, Westpark,
Shannon, Co. Claire.
Occupation: Manager

AERCAP HOLDINGS N.V.

By: /s/ Eimear Gilmartin
Name: Eimear Gilmartin
Title: Attorney-in-Fact

AERCAP AVIATION SOLUTIONS B.V.

By: /s/ Johan-Willem Dekkers
Name: Johan-Willem Dekkers
Title: Director of AerCap Group Services B.V.

SIGNED and **DELIVERED** as a **DEED**
by Ken Faulkner
as attorney for **AERCAP IRELAND LIMITED**

/s/ Ken Faulkner
Attorney

in the presence of

/s/ Orlagh Bannon
Name: Orlagh Bannon
Address: 4450 Atlantic Avenue, Westpark,
Shannon, Co. Claire.
Occupation: Manager

SIGNED and **DELIVERED** as a **DEED**
by Ken Faulkner
as attorney for **AERCAP IRELAND CAPITAL DESIGNATED ACTIVITY COMPANY**

/s/ Ken Faulkner
Attorney

in the presence of

/s/ Orlagh Bannon
Name: Orlagh Bannon
Address: 4450 Atlantic Avenue, Westpark,
Shannon, Co. Claire.
Occupation: Manager

BANK OF AMERICA, N.A., as Administrative Agent

By: /s/ Don B. Pinzon
Name: Don B. Pinzon
Title: Vice President

BANK OF AMERICA, N.A., as Collateral Agent

By: /s/ Don B. Pinzon
Name: Don B. Pinzon
Title: Vice President

ROYAL BANK OF CANADA

By: /s/ James S. Wolfe
Name: James S. Wolfe
Title: Managing Director
Head of Global Leveraged Finance

Exhibit 2.92

THIRD AMENDMENT TO TERM LOAN CREDIT AGREEMENT

THIRD AMENDMENT (this "**Amendment**"), dated as of August 9, 2017, between Delos Finance S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of Luxembourg, having its registered office at 46A, Avenue J.F. Kennedy, L-1855 Luxembourg and registered with the Luxembourg register of commerce and companies under the number B 185.094 (the "**Borrower**"), International Lease Finance Corporation, a California corporation ("**ILFC**"), Hyperion Aircraft Limited, a private company limited by shares incorporated under the laws of Ireland ("**Grandparent Holdco**"), Delos Aircraft Limited, a private company limited by shares incorporated under the laws of Ireland ("**Parent Holdco**"), Artemis (Delos) Limited, a private company limited by shares incorporated under the laws of Ireland ("**Irish Subsidiary Holdco**"), AerCap Global Aviation Trust, a Delaware statutory trust ("**Financing Trust**"), AerCap U.S. Global Aviation LLC, a Delaware limited liability company ("**USHoldco**"), AerCap Holdings N.V., a public company with limited liability incorporated under the laws of The Netherlands ("**AerCap**"), AerCap Aviation Solutions B.V., a private company with limited liability incorporated organized under the laws of The Netherlands ("**AAS**"), AerCap Ireland Limited, a private company limited by shares incorporated under the laws of Ireland ("**AIL**") and AerCap Ireland Capital Designated Activity Company, a designated activity company incorporated under the laws of Ireland ("**AICDAC**" and together with USHoldco, AerCap, AAS and AIL, the "**Additional Obligors**") and Deutsche Bank AG New York Branch, as Collateral Agent and Administrative Agent, to the Term Loan Credit Agreement, dated as of March 6, 2014 (as amended by the First Amendment to Credit Agreement, dated as of April 3, 2014, and by the Second Amendment to Credit Agreement, dated as of January 19, 2017, and as further amended, restated or otherwise modified from time to time, the "**Credit Agreement**"), between the Borrower, ILFC, Grandparent Holdco, Parent Holdco, Irish Subsidiary Holdco, the Lenders party thereto and Deutsche Bank AG New York Branch, as Collateral Agent and Administrative Agent.

WHEREAS, the parties hereto (other than the New Lenders (as defined below)) are party to the Credit Agreement;

WHEREAS, the terms used herein, including in the preamble and recitals hereto, not otherwise defined herein or otherwise amended hereby shall have the meanings ascribed thereto in the Credit Agreement;

WHEREAS, the parties hereto desire to amend the Credit Agreement in certain respects as set forth herein;

WHEREAS, each Lender party to the Credit Agreement immediately prior to the effectiveness of this Amendment which is executing a counterpart of this Amendment (each, a "**Consenting Lender**") desires to consent to the amendments set forth herein and, in connection therewith, in respect of its Loans, has the choice to elect either (a) Option A (as defined below) or (b) Option B (as defined below);

WHEREAS, each Lender that does not desire to consent to the amendments set forth herein by executing a counterpart of this Amendment and electing Option A or Option B in

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accordance with the terms hereof (each, a "**Non-Consenting Lender**") wishes to cease to be a party to the Credit Agreement as a "Lender" thereunder;

WHEREAS, each Lender that is not a party to the Credit Agreement immediately prior to the effectiveness of this Amendment, and which is executing a counterpart of this Amendment (each, a "**New Lender**") wishes to consent to the amendments set forth herein and to become a party to the Credit Agreement and a Lender thereunder;

WHEREAS, subject to certain conditions, such amendments and modifications shall include the addition of a new term loan facility (the loans thereunder, the "**New Loans**"), which shall be composed of the proceeds of new advances used to replace the outstanding Loans and/or the conversion of outstanding Loans under the Credit Agreement (the "**Existing Loans**") to New Loans, in each case that will be governed by the terms of this Amendment;

WHEREAS, the New Loans will have the same terms as the Existing Loans except as otherwise set forth herein;

WHEREAS, each Lender party to the Credit Agreement immediately prior to the effectiveness of this Amendment (each, an "**Existing Lender**") that is a Consenting Lender agrees to convert its Existing Loans to New Loans in a principal amount up to the aggregate outstanding principal amount of its Existing Loans if it has elected Option A (if any) (the "**Continued Loans**"), or agrees to make or purchase New Loans in a principal amount up to the aggregate outstanding principal amount of its Existing Loans if it has elected Option B, and further agrees to make or purchase any additional New Loans in an amount such Consenting Lender has separately agreed, in each case subject to the terms hereof; and

WHEREAS, each New Lender will make New Loans to Borrower on the Amendment Effective Date in the amount of its commitment subject to the terms hereof;

NOW, THEREFORE, the parties hereto agree that the Credit Agreement shall be amended as set forth herein, and the parties hereto otherwise agree as follows:

Section 1. Definitions. Except as otherwise defined herein, terms defined in the Credit Agreement are used herein as defined therein.

Section 2. Amendments. Subject to the satisfaction of the conditions precedent specified in Section 4 below, but effective as of the Amendment Effective Date (as defined below), the Credit Agreement is hereby amended as follows:

2.01 General.

(a) References in the Loan Documents to "this Agreement" or the "Credit Agreement" or the like (and indirect references such as "hereunder", "hereby", "herein" and "hereof") shall be deemed to be references to the Credit Agreement as amended hereby.

(b) Each Consenting Lender and each New Lender shall be deemed to be a "Lender" under and for all purposes of the Credit Agreement and the other Loan Documents, and each New Loan shall be deemed to be a "Loan" under and for all purposes of

the Credit Agreement and the other Loan Documents (except as the context may otherwise require).

(c) Notwithstanding the foregoing, the provisions of the Credit Agreement with respect to indemnification, reimbursement of costs and expenses, increased costs and break funding payments, in each case to the extent that such obligations by their express terms under the Credit Agreement survive a prepayment of the Loans, shall continue in full force and effect with respect to, and for the benefit of, each Existing Lender (including each Non-Consenting Lender) in respect of such Existing Lender's Existing Loans, and the amounts due and owing to any Existing Lender that accrued prior to the Amendment Effective Date shall be such amounts as determined in accordance with the Credit Agreement as in effect prior to the Amendment Effective Date; provided that no payments under Section 2.08(m) of the Credit Agreement or other break funding payments shall be due or payable to any Existing Lender with respect to the portion of any Existing Loans which is converted to New Loans pursuant to its election of Option A or equal to the amount of New Loans made or purchased by such Existing Lender pursuant to its election of Option B, and in no event is any Premium Amount with respect to the Existing Loans due and payable to any Existing Lender (whether a Consenting Lender or a Non-Consenting Lender).

(d) This Amendment shall additionally constitute a "Loan Document".

(e) Each reference to CUSIP numbers shall be deemed to be a reference to the following CUSIP numbers: "Deal CUSIP Number: L2324EAA9, Facility CUSIP Number: L2324EAD3".

(f) No prepayment notice shall be required in respect of the prepayments effected in accordance with this Amendment, other than this Amendment and any communications with the Existing Lenders in connection herewith (including the Memorandum). In addition, no Borrowing Request or Release Request, or other notice of borrowing or release request, shall be required in connection with any New Loan.

(g) Each Consenting Lender's and New Lender's Commitment and Applicable Percentage with respect to the New Loans shall be as notified to them by the Deutsche Bank Securities Inc.. Each Consenting Lender's Commitment with respect to the New Loans shall be no greater than such Consenting Lender's Commitment was with respect to the Existing Loans unless otherwise agreed with the Arranger, and each New Lender's Commitment shall be no greater than the amount agreed with the Arranger; provided that the aggregate Commitments with respect to the New Loans shall be no greater than $1,500,000,000.

(h) All New Loans that are funded hereunder shall be deemed made immediately prior to the prepayment of any Loan. Accordingly, in connection with the conversion and/or prepayment of Existing Loans, and funding of New Loans, contemplated hereby, at all times Obligations shall remain outstanding under the Credit Agreement and no discharge or release of the Secured Obligations nor of any Security Document shall occur as result hereof.

2.02 Amended and Restated Definitions. Section 1.01 of the Credit Agreement shall be amended by:

(a) amending and restating the following definitions in their entirety to read as follows:

"**Applicable Margin**" means 2.00 % per annum; provided that for any period in which the Base Rate applies to the Loans, the Applicable Margin shall be 1.00 % per annum.

"**Applicable Percentage**" means with respect to any Lender at any time, the percentage (carried out to the ninth decimal place) of the Aggregate Commitments represented by such Lender's Commitment at such time. If the commitment of each Lender to make Loans has been terminated pursuant to Article 6 or if the Aggregate Commitments have expired, then the Applicable Percentage of each Lender shall be determined based on the Applicable Percentage of such Lender most recently in effect, giving effect to any subsequent assignments. The initial Applicable Percentage as of the Third Amendment Effective Date of each Lender making New Loans on such date (including by way of conversion of its prior Loans) is as notified to such Lender in accordance with the Third Amendment or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable.

"**Arranger Entity**" means Deutsche Bank Securities Inc., RBC Capital Markets, LLC, Fifth Third Bank, HSBC Securities (USA) Inc., The Bank of Tokyo-Mitsubishi UFJ, Ltd., SunTrust Robinson Humphrey, Inc., and each of their respective Affiliates.

"**Commitment**" means, as to each Lender, its obligation to make the Loans to the Borrower pursuant to Section 2.01, in an aggregate principal amount at any one time outstanding not to exceed the amount as notified to such Lender in accordance with the Third Amendment or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement.

"**LIBO Rate**" means, with respect to any Borrowing for any Interest Period, the greater of (a) zero and (b) the rate per annum equal to the ICE Benchmark Administration Limited LIBOR Rate ("**ICE LIBOR**"), as published by Reuters (or other commercially available source providing quotations of ICE LIBOR as designated by the Administrative Agent (and agreed to by the Borrower, such consent of the Borrower not to be unreasonably withheld or delayed) from time to time) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period; provided that, with respect to the initial Interest Period, ICE LIBOR shall be determined based on an Interest Period of three (3) months. If such rate is not available at such time for any reason, then the "LIBO Rate" with respect to such Borrowing for such Interest Period shall be the greater of (a) zero and (b) the rate per annum determined by the Administrative Agent to be the rate at which deposits in Dollars for delivery on the first day of such Interest Period in same day funds

in the approximate amount of the Loans and with a term equivalent to such Interest Period would be offered by the Administrative Agent's London Branch to major banks in the London interbank eurodollar market at their request at approximately 11:00 a.m. (London time) two Business Days prior to the commencement of such Interest Period.

"**Premium Amount**" means, with respect to any principal amount being prepaid in connection with a Repricing Event, an amount equal to (a) except as provided in clause (b) below, 1% of such principal amount being prepaid if the date of such prepayment is made on or after the Third Amendment Effective Date but prior to the date ending six months thereafter or (b) $0.00 if (i) the date of such prepayment is on or after the six-month anniversary of the Third Amendment Effective Date, (ii) such prepayment is made in connection with an LTV Cure other than an LTV Cure to the extent attributable to a Removal (other than as described in the following clause (iii)) or to a Deemed Removal, (iii) such prepayment is made as a result of an Event of Loss of a Pool Aircraft or as a result of an event described in the second proviso of Appraised Value (except a Deemed Removal) or a Specified Representation Deficiency, provided that such prepaid amount does not exceed an amount equal to the Appraised Value (determined without having regard to the event giving rise to the prepayment) of such Pool Aircraft or (iv) pursuant to Section 9.06 (other than clause (iv) thereof);

2.04 New Definitions. Section 1.01 of the Credit Agreement shall be amended by adding the following definitions in appropriate alphabetical order:

"**CRS**" means means the common reporting standard more fully described as the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development, as amended, modified, supplemented or replaced from time to time.

"**DAC II**" means EU Directive 2014/107/EU on Administrative Cooperation in the Field of Taxation.

"**Extending Lender**" means "Consenting Lender", as defined in the Third Amendment.

"**New Extended Loan**" means "New Loan", as defined in the Third Amendment.

"**New Extending Lender**" means "New Lender", as defined in the Third Amendment.

"**Third Amendment**" means Third Amendment to Term Loan Credit Agreement, dated as of August 9, 2017, among, *inter alios*, the Borrower, the other Borrower Parties, the Extending Lenders, the New Extending Lenders, the Administrative Agent and the Collateral Agent.

"**Third Amendment Effective Date**" means the "Amendment Effective Date", as defined in the Third Amendment.

2.05 Other Amendments

(b) Section 2.01 shall be amended by replacing the terms thereof with the following:

(a) On the Effective Date, subject to the terms and conditions and relying on the representations and warranties set forth herein, each Lender as of such date agreed to make a Loan to the Borrower in a principal amount equal to its Commitment by transfer of such amount to the Administrative Agent as described in Section 2.03, in each case subject to the terms of this Agreement as in effect as of such date. On the Third

Amendment Effective Date, subject to the terms and conditions and relying on the representations and warranties set forth herein and in the Third Amendment, each Extending Lender and each New Extending Lender agrees to make a New Extended Loan to the Borrower in a principal amount equal to its Commitment (in the case of certain Extending Lenders, by converting its Existing Loans to New Extended Loans, and in the case of certain Extending Lenders, by making or purchase of New Extended Loans, in each case to the extent provided pursuant to the terms of the Third Amendment). Other than as provided in the Third Amendment, the Loans and the Commitments hereunder are not revolving and amounts repaid or prepaid may not be reborrowed.

(b) Any undrawn portion of the Commitments shall automatically terminate immediately after the Borrowing of the New Extended Loans (including by way of conversion of Existing Loans (as defined in the Third Amendment) into New Extended Loans) on the Third Amendment Effective Date.

(c) Each reference to "Effective Date" in Section 2.02, 2.03 and 2.05(d) of the Credit Agreement shall be deemed to mean the Third Amendment Effective Date with respect to the New Loans, except that no Borrowing Request or Release Request shall be required and the Borrowing Date and Release Date for all New Loans shall be the Third Amendment Effective Date and each Lender's Applicable Percentage of the New Extended Loans shall be determined in accordance with the provisions of this Amendment.

(d) The following shall replace Section 2.03(d):

(d) Notwithstanding the foregoing or any other provision of the Credit Agreement, but subject only to satisfaction of conditions precedent to the occurrence of the Third Amendment Effective Date set forth in the Third Amendment, on the Third Amendment Effective Date, all of the proceeds of the New Extended Loans shall be applied to prepay the Existing Loans (as defined in the Third Amendment) and all Existing Loans that are not paid off shall be deemed converted to and continued as New Extended Loans.

(e) The following sentences shall be added to Section 2.08(e) of the Credit Agreement:

(v) Each party to this Agreement shall, within ten Business Days of a reasonable request by another party or any third party designated by such party (a "**Designated Third Party**"), furnish (including by way of updates) to that other party or the Designated Third Party, as applicable, in such form as is reasonably requested by that other party or the Designated Third Party (including by way of electronic certification), any information, representations, waivers and forms relating to its status (or the status of its controlling person, if relevant) for the purposes of that other party's compliance with any reporting requirements under Laws implementing CRS or DAC II, and it is hereby acknowledged that information or the documents obtained under any such request may, as part of the requesting party's compliance, need to be disclosed to an applicable Governmental Authority. Nothing in this Section 2.08(e)(v) shall oblige a party to do anything which would or might in its reasonable opinion constitute a breach of (i) any Law, (ii) any fiduciary duty, or (iii) any duty of confidentiality, applicable to it.

(f) The following sentence shall be added to Section 3.04 of the Credit Agreement:

AerCap's audited consolidated financial statements as at December 31, 2016, which have been filed with the Securities and Exchange Commission, have been prepared in accordance with GAAP and fairly present the financial condition of AerCap and its Subsidiaries as at such date and the results of their operations for the period then ended.

(g) The following sentences shall be added to Section 3.15 of the Credit Agreement: "As of the Third Amendment Effective Date (and as also reflected on AerCap's consolidated balance sheet dated as of December 31, 2016, and confirmed by the Appraisals most recently delivered pursuant to this Agreement), the fair value of the assets of each of (x) AerCap and (y) the Borrower and its Subsidiaries taken as a whole, exceed their respective liabilities. As of the Third Amendment Effective Date, neither the Transaction Parties taken as a whole nor AerCap nor the Borrower is or will be rendered insolvent as a result of the transactions contemplated by this Agreement and the other Loan Documents."

(h) Section 3.17 of the Credit Agreement shall be amended by replacing the terms thereof with the following:

"(a) Schedule 3.17(a) attached hereto, as amended from time to time pursuant to Section 2.10 and Section 5.09(a)(vii) hereof and pursuant to the Third Amendment is a true and correct list of all PS Pool Aircraft and the country of registration of such PS Pool Aircraft.

(b) Schedule 3.17(b) attached hereto, as supplemented from time to time pursuant to Section 2.10 and Section 5.09(a)(vii) and pursuant to the Third Amendment, is a true and correct list of all Leases (including, without limitation, any head leases) in effect with respect to the PS Pool Aircraft and the name and jurisdiction of organization or incorporation of the applicable Lessees."

(i) Section 3.19 of the Credit Agreement shall be amended by replacing the words "for general corporate purposes of ILFC and its subsidiaries" with the words "to refinance the Existing Loans (as defined in the Third Amendment)."

(j) Section 9.20 *(Acknowledgement and Consent to Bail-In of EEA Financial Institutions)* shall be renumbered as Section 9.21.

(k) The following new Section 9.22 shall be added to the Credit Agreement:

"Section 9.22. Lender ERISA Representation. Each Lender represents and warrants as of the Third Amendment Effective Date or such later date that it becomes a Lender (by its execution and delivery of the Third Amendment or the Assignment and Assumption pursuant to which it became a Lender, as applicable), to the Administrative Agent and each Arranger Entity, and not, for the avoidance of doubt, for the benefit of the Borrower or any other Transaction Party (and in any event, unless otherwise agreed by the Administrative Agent in its sole discretion), either that:

(a) (i) such Lender is not (A) an "employee benefit plan," as defined in Section 3(3) of ERISA or (B) a "plan" within the meaning of Section 4975(e) of the Code; (ii) the assets of such Lender do not constitute "plan assets" within the meaning of the United States Department of Labor Regulations set forth in 29 C.F.R. § 2510.3-101, as modified by Section 3(42) of ERISA (Lenders described in (i) and (ii), hereinafter, "ERISA Lenders"); (iii) such Lender is not a "governmental plan" within the meaning of Section 3(32) of ERISA; and (iv) transactions by or with such Lender are not subject to federal, state or local statutes applicable to Lender regulating investments of fiduciaries with respect to governmental plans (Lenders described in (iii) and (iv), hereinafter, "**Governmental Lenders**"); or

(b) if such Lender is a Governmental Lender, the entering into and performance of this Agreement and the obligations under this Agreement by such Lender, and the making or extension of the Loans by such Lender will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any law or regulation similar to the prohibited transaction under Section 406 of ERISA or Section 4975 of the Code

(c) if such Lender is an ERISA Lender, (i) the entering into and performance of this Agreement and the obligations under this Agreement by such Lender, and the making or extension of the Loans by such Lender will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (ii) none of the Administrative Agent or any Arranger Entity is a fiduciary with respect to the assets of the Lender (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement or any documents related to this Agreement); (iii) the person or entity making the investment decision on behalf of such Lender with respect to the entering into and performance of this Agreement and the obligations under this Agreement by such Lender and the making or extension of the Loans (the "**Lender Fiduciary**") is (A) independent (within the meaning of 29 C.F.R. § 2510.3-21) and a person or entity described in 29 C.F.R. § 2510.3-21(c)(1)(i)(A)-(E); (B) capable of evaluating investment risks independently, both in general and with regard to particular transactions and strategies; and (C) a fiduciary with respect to the transactions contemplated hereby and is responsible for exercising independent judgment in evaluating such transactions; and (iv) no fee or other compensation is being paid directly to the Administrative Agent or any Arranger Entity for investment advice (as opposed to other services) in connection with the transactions contemplated hereby or by any Loan Document.

The Administrative Agent and each Arranger Entity hereby inform the Lenders that each such Person is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans, (ii) may recognize a gain if it extended the Loan for an amount less than the amount being paid for the Loan by such Person and/or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing."

2.06 Schedules and Exhibits. Schedules 3.17(a) and 3.17(b) of the Credit Agreement shall be amended by replacing such schedules and exhibits with the corresponding schedules and exhibits hereto.

2.07 Annexes. Annex 1 of the Credit Agreement shall be amended by replacing it with Annex 1 appended hereto.

Section 3. Representations and Warranties. The Borrower and each other Borrower Party represents and warrants to the

Lenders that the representations and warranties of the Borrower Parties contained in Article 3 of the Credit Agreement (as amended hereby) and contained in each other Loan Document are true and correct on and as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they were true and correct as of such earlier date.

Section 4. Conditions Precedent. As provided in Section 2 above, the amendments to the Credit Agreement contemplated hereby shall become effective as of August 9, 2017 (the "**Amendment Effective Date)**, upon the satisfaction of the following conditions precedent, provided that such conditions precedent are satisfied on or prior to the Amendment Effective Date:

(a) The Administrative Agent (or its counsel) shall have received the signature pages to this Amendment duly executed by each of the Borrower, ILFC, Grandparent Holdco, Parent Holdco, Irish Subsidiary Holdco, Financing Trust, USHoldco, AerCap, AAS, AICDAC, the Consenting Lenders and each New Lender.

(b) The Administrative Agent shall have received favorable written opinion (addressed to each Lender Party and dated the Amendment Effective Date) of each of (i) Clifford Chance US LLP with respect to New York law, (ii) Buchalter, P.C. with respect to California law, (iii) Morris, Nichols, Arsht & Tunnell LLP with respect to Delaware law, (iv) Clifford Chance, Luxembourg with respect to Luxembourg law, (vi) NautaDutilh with respect to Dutch law and (vi) McCann Fitzgerald with respect to Irish law, as to such matters as the Administrative Agent may reasonably request, dated as of the Amendment Effective Date and otherwise in form and substance reasonably satisfactory to the Administrative Agent.

(c) The representations and warranties of the Borrower Parties contained in Article 3 of the Credit Agreement (as amended hereby) and contained in each other Loan Document shall be true and correct on and as of the Amendment Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, and an Officer's Certificate of AerCap shall so certify on and as of the Amendment Effective Date to the Administrative Agent and the Lenders.

(d) The Administrative Agent shall have received evidence satisfactory to it that the outstanding principal amount of and interest on the Existing Loans of, and all other amounts owing under or in respect of, the Credit Agreement to any Non-Consenting Lender and any Consenting Lender shall have been (or shall simultaneously with the making of the New Loans be) paid to each such Non-Consenting Lender, in accordance with Section 9.06 of the Credit Agreement, and each such Consenting Lender; provided that the interest payments made on the next Payment Date shall take into account the payments made under this Section 4(d).

(e) The Administrative Agent shall have received evidence satisfactory to it that each Consenting Lender electing Option B shall have received (or shall simultaneously with the making of the New Loans receive), payment of an amount equal to the outstanding principal amount of and interest on its Existing Loans subject to Option B.

(f) The Borrower shall have on or prior to the Amendment Effective paid all other fees and other amounts due and payable by it under the Credit Agreement, and all other out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder, under any Loan Document or as separately agreed between any Borrower Party and any arranger in respect of this Amendment.

(g) The Administrative Agent shall have received an LTV Certificate, dated as of the Amendment Effective Date based on the Appraisals most recently delivered pursuant to the Credit Agreement, and on the Amendment Effective Date (after giving effect to the prepayment of the Existing Loans and making of the New Loans pursuant hereto) the Borrower shall be in compliance with the Loan-to-Value Ratio.

(h) Each Lender who requests a Note and has returned its Note with respect to the Existing Loan (if any) to the Administrative Agent for cancellation (or the Administrative Agent, on behalf of each such Lender) shall have received a signed original of a Note with respect to its Loan, duly executed by the Borrower.

(i) Prior to the Amendment Effective Date, the Lenders shall have received all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the Patriot Act, as requested by such Lenders not less than three (3) Business Days prior to the Amendment Effective Date.

(j) On the Amendment Effective Date, no Default or Event of Default shall have occurred and be continuing.

(k) The Administrative Agent shall have received such documents and certificates as it or its counsel may reasonably request relating to the organization, existence and, if applicable, good standing of each Obligor, the authorization of the transactions contemplated by the Loan Documents and any other legal matters relating to the Obligors, the Loan Documents, the Collateral or the transactions contemplated hereby or thereby, all in form and substance reasonably satisfactory to the Administrative Agent and its counsel.

(l) For purposes of determining compliance with the conditions specified in this Section 4, each Lender shall be deemed to have consented to, approved or accepted or to be satisfied with each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to the Lenders unless an officer of the Administrative Agent responsible for the transactions contemplated by this Amendment shall have received notice from such Lender prior to the Amendment Effective Date specifying its objection thereto. The Administrative Agent shall promptly notify the parties hereto of the occurrence of the Amendment Effective Date.

Section 5. Consent Options.

(a) As described in the memorandum for Lenders dated July 31, 2017 posted to Lenders in connection with this Amendment (the "**Memorandum**"), Consenting Lenders may elect either (a) a cashless roll as described in the Memorandum ("**Option A**") or (b) a cash roll as described in the Memorandum (the "**Option B**"). Election of either Option A or Option B shall be made by each Consenting Lender by indicating its election on the signature page hereto (a copy of which is attached to the Memorandum). Any Existing Lender executing a signature page hereto but not indicating its election on its signature page will be treated as a Non-Consenting Lender unless such Existing Lender otherwise indicates its election to the Arranger (as defined in the Memorandum) to the Arranger's satisfaction. By executing a signature page hereto, each Consenting Lender agrees to the procedures and terms set forth in the Memorandum.

(b) Each Consenting Lender electing Option B and each New Lender hereby irrevocably commits that it or its designee is an Eligible Assignee and that it shall make its New Loans and/or purchase and assume New Loans from Deutsche Bank AG New York Branch (the "**Assignor**") promptly after the prepayment of its Existing Loans, in an amount equal to the aggregate amount of the Existing Loans previously held by it (or such lesser amount determined by the Assignor), and shall promptly execute and deliver (or cause its designee to execute and deliver) one or more Assignment and Assumptions reflecting such purchase provided to it by the Assignor.

(c) For purposes of clarification with respect to Section 9.05(a)(iii)(A) of the Credit Agreement, the Borrower hereby consents to each Consenting Lender and each New Lender.

Section 6. Non-Consenting Lenders. Subject to payment of amounts due and owing to them in accordance herewith, effective as of the Amendment Effective Date, each Non-Consenting Lender shall cease to be, and shall cease to have any of the rights and obligations of, a "Lender" under the Credit Agreement (except for those provisions that provide for their survival (including without limitation those provisions referred to in Section 9.07 of the Credit Agreement), which provisions shall survive and remain in full force and effect for the benefit of the Non-Consenting Lenders).

Section 7. Acknowledgement and Ratification. Each of the Borrower Parties hereby acknowledges that it has reviewed the terms and provisions of this Amendment and consents to the modifications effected pursuant to this Amendment. The Borrower and each Borrower Party hereby confirms that at all times Obligations remain outstanding under the Loan Documents and each Loan Document, as amended hereby, to which it is a party or otherwise bound and all collateral encumbered thereby will continue to guarantee or secure, as the case may be, to the fullest extent provided in accordance with the Loan Documents, as amended hereby, the payment and performance of all Obligations, and confirms its grants to the Collateral Agent of a continuing lien on and security interest in and to all Collateral as collateral security for the prompt payment and performance in full when due of the Obligations. The Borrower and each Borrower Party hereby agrees and admits that as of the date hereof it has no defenses to or offsets against any of its obligations to the Administrative Agent or any Lender under the Loan Documents. Each Obligor (including each Additional Obligor) hereby ratifies and confirms its

guaranty of the Guaranteed Obligations as set forth in Article 7 of the Credit Agreement, as amended hereby.

Section 8. Miscellaneous.

8.01 Instruction to Agents; No Other Amendments; Governing Law. Each Lender by its signature hereto instructs the Administrative Agent and the Collateral Agent to execute this Amendment. Except as herein provided, the Credit Agreement and the other Loan Documents shall remain unchanged and in full force and effect. This Amendment shall be governed by, and construed in accordance with, the law of the State of New York.

8.02 Electronic Execution of Assignments and Certain Other Documents. The words "execute," "execution," "signed," "signature," and words of like import in or related to any document to be signed in connection with this Amendment and the transactions contemplated hereby (including without limitation Assignment and Assumptions, amendments or other modifications, waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary the Administrative Agent is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it.

8.03 Counterparts; Integration; Effectiveness. This Amendment may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Amendment and any separate letter agreements with respect to fees payable to the Agents, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or

written, relating to the subject matter hereof. Except as provided in Section 4, this Amendment shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or other electronic imaging means (e.g. "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Amendment.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the date first set forth above.

DELOS FINANCE S.À R.L.
Duly represented by:

/s/ Shehzaad Atchia
Name: Shehzaad Atchia
Title: Authorised Signatory, Manager B

INTERNATIONAL LEASE FINANCE CORPORATION

By: /s/ Patrick Ross
Name: Patrick Ross
Title: Vice President

AERCAP GLOBAL AVIATION TRUST

By: /s/ Lourda Moloney
Name: Lourda Moloney
Title: Chief Servicing Officer

AERCAP U.S. GLOBAL AVIATION LLC

By: /s/ Lourda Moloney
Name: Lourda Moloney
Title: Director

SIGNED and **DELIVERED** as a **DEED**
by Emma Hehir as attorney for
HYPERION AIRCRAFT LIMITED

/s/ Emma Hehir
Attorney-in-Fact

in the presence of

/s/ Caroline O'Mara
Name: Caroline O'Mara
Address: 4450 Atlantic Avenue, Westpark
Shannon, Co. Claire.
Occupation: Admin Corporate Secretary

SIGNED and **DELIVERED** as a **DEED**
by Emma Hehir as attorney for
DELOS AIRCRAFT LIMITED

/s/ Emma Hehir

Attorney-in-Fact

in the presence of

/s/ Caroline O'Mara
Name: Caroline O'Mara
Address: 4450 Atlantic Avenue, Westpark
Shannon, Co. Claire.
Occupation: Admin Corporate Secretary

SIGNED and **DELIVERED** as a **DEED**
by Emma Hehir as attorney for
ARTEMIS (DELOS) LIMITED

/s/ Emma Hehir
Attorney-in-Fact

in the presence of

/s/ Caroline O'Mara
Name: Caroline O'Mara
Address: 4450 Atlantic Avenue, Westpark
Shannon, Co. Claire.
Occupation: Admin Corporate Secretary

AERCAP HOLDINGS N.V.

By: /s/ Kenneth Ng
Name: Kenneth Ng
Title: Attorney-in-Fact

AERCAP AVIATION SOLUTIONS B.V.

By: /s/ Najim Chellioui
Name: Najim Chellioui
Title: Director

Represented by its sole Managing Director
AerCap Group Services B.V.

SIGNED and **DELIVERED** as a **DEED**
by Emma Hehir as attorney for
AERCAP IRELAND LIMITED

/s/ Emma Hehir
Attorney-in-Fact

in the presence of

/s/ Caroline O'Mara
Name: Caroline O'Mara
Address: 4450 Atlantic Avenue, Westpark
Shannon, Co. Claire.
Occupation: Admin Corporate Secretary

SIGNED and **DELIVERED** as a **DEED**
by Emma Hehir as attorney for
AERCAP IRELAND CAPITAL DESIGNATED ACTIVITY COMPANY

/s/ Emma Hehir
Attorney-in-Fact

in the presence of

/s/ Caroline O'Mara
Name: Caroline O'Mara
Address: 4450 Atlantic Avenue, Westpark
Shannon, Co. Claire.
Occupation: Admin Corporate Secretary

ADMINISTRATIVE AGENT

DEUTSCHE BANK AG NEW YORK BRANCH, as Administrative Agent

By: /s/ Dusan Lazarov
Name: Dusan Lazarov
Title: Director

By: /s/ Anca Trifan
Name: Anca Trifan
Title: Managing Director

COLLATERAL AGENT

DEUTSCHE BANK AG NEW YORK BRANCH, not in its individual capacity but solely as Collateral Agent

By: /s/ Dusan Lazarov
Name: Dusan Lazarov
Title: Director

By: /s/ Anca Trifan
Name: Anca Trifan
Title: Managing Director

Exhibit 8.1

List of Subsidiaries of AerCap Holdings N.V.

The subsidiaries which are taken up in the consolidated financial statements are direct and indirect subsidiaries 100% owned, unless otherwise stated.

Consolidated	
ILFC Aruba A.V.V.	Aruba
ILFC Australia Holdings Pty. Ltd.	Australia
ILFC Australia Pty. Ltd.	Australia
Wombat 3495 Leasing Pty Ltd	Australia
Wombat 3547 Leasing Pty Ltd	Australia
Wombat 3668 Leasing Pty Ltd	Australia
Wombat V Leasing Pty Ltd	Australia
AerCap Holdings (Bermuda) Limited	Bermuda
AerCap International Bermuda Limited	Bermuda
AerCap Leasing 3034 (Bermuda) Limited	Bermuda
AerCap Leasing MSN 2413 (Bermuda) Limited	Bermuda
AerFunding 1 Limited (5%)	Bermuda
AerFunding Bermuda Leasing Limited	Bermuda
AeroTurbine (Bermuda) 1 Ltd.	Bermuda
Aircraft Lease Securitisation II Limited	Bermuda
Aquarius Aircraft Leasing Limited	Bermuda
Ararat Aircraft Leasing Limited	Bermuda
Belmar Bermuda Leasing Limited	Bermuda
CloudFunding III Limited	Bermuda
Copperstream Aircraft Leasing Limited	Bermuda
Flotlease 973 (Bermuda) Limited	Bermuda
Flying Fortress Bermuda Leasing Ltd.	Bermuda
Genesis Portfolio Funding I Limited	Bermuda
GLS Atlantic Alpha Limited	Bermuda
Goldstream Aircraft Leasing Limited	Bermuda
ILFC (Bermuda) 5, Ltd.	Bermuda
ILFC (Bermuda) III, Ltd.	Bermuda
International Lease Finance Corporation, Limited	Bermuda
Lare Leasing Limited	Bermuda
LC (BERMUDA) NO 2 L.P.	Bermuda
LC (BERMUDA) NO. 2 LTD	Bermuda
Poseidon Leasing (Bermuda) Limited	Bermuda
Roselawn Leasing Limited	Bermuda
Ross Leasing Limited	Bermuda
Sierra Leasing Limited	Bermuda

Silverstream Aircraft Leasing Limited	Bermuda
Skylease Bermuda Limited	Bermuda
Wahaflot Leasing 3699 (Bermuda) Limited	Bermuda
Westpark 1 Aircraft Leasing Limited	Bermuda
Whitestream Aircraft Leasing Limited	Bermuda
Whitney Leasing Limited	Bermuda
AerCap Aircraft Purchase Limited	Cayman Islands
AerCap HK-320-A Limited	Cayman Islands
AerCap HK-320-B Limited	Cayman Islands
AerCap HK-320-C Limited	Cayman Islands
ILFC Cayman Limited	Cayman Islands
Eaststar Limited	China
North Star Company Limited	China
Southstar Limited	China
Sunstar Limited	China
AerCap Partners France SARL (50%)	France
Calais Location S.A.R.L.	France
Grenoble Location S.A.R.L.	France
ILFC France S.A.R.L.	France
Mulhouse Location S.A.R.L.	France
Nancy Location S.A.R.L.	France
Strasbourg Location S.A.R.L.	France

Whitney France Leasing S.A.R.L.	France
AerBorne Funding Limited	Ireland
AerCap A330 Holdings Limited	Ireland
AerCap Administrative Services Limited	Ireland
AerCap Aircraft 73B-30661 Limited	Ireland
AerCap Aircraft 73B-32841 Limited	Ireland
AerCap Aircraft 77B-32717 Limited	Ireland
AerCap Asset Finance Limited	Ireland
AerCap Cash Manager II Limited	Ireland
AerCap Cash Manager Limited	Ireland
AerCap Celtavia 4 Limited	Ireland

AerCap Celtavia 5 Limited	Ireland
AerCap Engine Leasing Limited	Ireland
AerCap Finance Limited	Ireland
AerCap Financial Services (Ireland) Limited	Ireland
AerCap Holding & Finance Limited	Ireland
AerCap Ireland Asset Investment 1 Limited	Ireland
AerCap Ireland Asset Investment 2 Limited	Ireland
AerCap Ireland Capital Designated Activity Company (As Regular Trustee)	Ireland
AerCap Ireland Funding 1 Limited	Ireland
AerCap Ireland Limited	Ireland
AerCap Irish Aircraft Leasing 2 Limited	Ireland
AerCap Leasing 3034 Limited	Ireland
AerCap Leasing 8 Limited	Ireland
AerCap Leasing 946 Limited	Ireland
AerCap Note Purchaser Limited	Ireland
AerCap Partners 2 Holding Limited (50%)	Ireland
AerCap Partners 2 Limited (50%)	Ireland
AerCap Partners 3 Holding Limited (50%)	Ireland
AerCap Partners 767 Holdings Limited (50%)	Ireland
AerCap Partners 767 Limited (50%)	Ireland
AerCap Partners I Holding Limited (50%)	Ireland
AerCap Partners I Limited (50%)	Ireland
AerFi Group Limited	Ireland
AerVenture Export Leasing Limited	Ireland
AerVenture Limited	Ireland
Aircraft Portfolio Holding Company Limited	Ireland
Aircraft Portfolio Holding Company No. 2 Limited (5%)	Ireland
Andes Aircraft Leasing Limited	Ireland
Andromeda Aircraft Leasing Limited	Ireland
Annamite Aircraft Leasing Limited	Ireland
Artemis (Delos) Limited	Ireland
Artemis Aircraft 32A-3309 Limited	Ireland
Artemis Aircraft 32A-3385 (Ireland) Limited	Ireland
Artemis Aircraft 32A-3388 (Ireland) Limited	Ireland
Artemis Aircraft 77B-32725 Limited	Ireland
Artemis Ireland Leasing Limited	Ireland
Ballymoon Aircraft Solutions Limited	Ireland
Ballysky Aircraft Ireland Limited	Ireland
Ballystar Aircraft Solutions Limited	Ireland
BlowfishFunding Limited	Ireland
Burgundy Aircraft Leasing Limited	Ireland

Calliope Limited	Ireland
Camden Aircraft Leasing Limited	Ireland
Castletroy Leasing Limited	Ireland
CelestialFunding Limited	Ireland
Celtago Funding Limited	Ireland
Celtago II Funding Limited	Ireland
Charleville Aircraft Leasing Limited	Ireland
CieloFunding Holdings Limited	Ireland
CieloFunding II Limited	Ireland

CieloFunding Limited	Ireland
Clarity Leasing Limited	Ireland
CloudFunding II Limited	Ireland
CloudFunding Limited	Ireland
CuttlefishFunding Limited	Ireland
Danang Aircraft Leasing Limited	Ireland
Danang Aircraft Leasing No. 2 Limited	Ireland
DartfishFunding Designated Activity Company	Ireland
Delos Aircraft 76B-29387 Designated Activity Company	Ireland
Delos Aircraft Limited	Ireland
Eden Aircraft Holding No. 2 Limited	Ireland
Electra Funding Ireland Limited	Ireland
Eris Aircraft Limited	Ireland
Excalibur Aircraft Leasing Limited	Ireland
Fansipan Aircraft Leasing Limited	Ireland
Flotlease MSN 3699 Limited	Ireland
Flotlease MSN 973 Limited	Ireland
FlyFunding Limited	Ireland
Flying Fortress Ireland Leasing Limited	Ireland
Fortress Aircraft 33A-0366 Limited	Ireland
Fortress Aircraft 76B-29383 Designated Activity Company	Ireland
Fortress Aircraft 78B-38761 Limited	Ireland
Fortress Ireland Leasing Limited	Ireland
Geministream Aircraft Leasing Limited	Ireland
Geneva Triple Sept Leasing Limited	Ireland
Glide Aircraft 35A-29 Ltd	Ireland
Glide Aircraft 73B-41815 Limited	Ireland
Glide Aircraft 78B-38765 Limited	Ireland
Glide Funding Limited	Ireland
Gunung Leasing Limited	Ireland
Harmonic Aircraft Leasing Limited	Ireland
Hyperion Aircraft Financing Limited	Ireland

Hyperion Aircraft Limited	Ireland
ILFC Aircraft 32A-1808 Limited	Ireland
ILFC Aircraft 32A-1884 Limited	Ireland
ILFC Aircraft 32A-1901 Limited	Ireland
ILFC Aircraft 32A-1905 Limited	Ireland
ILFC Aircraft 32A-2064 Limited	Ireland
ILFC Aircraft 32A-2076 Limited	Ireland
ILFC Aircraft 32A-2279 Limited	Ireland
ILFC Aircraft 32A-2707 Limited	Ireland
ILFC Aircraft 32A-2726 Limited	Ireland
ILFC Aircraft 32A-2797 Limited	Ireland
ILFC Aircraft 32A-3065 Limited	Ireland
ILFC Aircraft 32A-3070 Limited	Ireland
ILFC Aircraft 32A-3114 Limited	Ireland
ILFC Aircraft 32A-3116 Limited	Ireland
ILFC Aircraft 32A-3124 Limited	Ireland
ILFC Aircraft 32A-427 Limited	Ireland
ILFC Aircraft 32A-4619 Limited	Ireland
ILFC Aircraft 32A-550 Limited	Ireland
ILFC Aircraft 32A-591 Limited	Ireland
ILFC Aircraft 32A-661 Limited	Ireland
ILFC Aircraft 32A-666 Limited	Ireland
ILFC Aircraft 33A-1284 Limited	Ireland
ILFC Aircraft 33A-253 Limited	Ireland
ILFC Aircraft 33A-272 Limited	Ireland
ILFC Aircraft 33A-432 Limited	Ireland
ILFC Aircraft 33A-444 Limited	Ireland
ILFC Aircraft 33A-454 Limited	Ireland
ILFC Aircraft 33A-469 Limited	Ireland
ILFC Aircraft 33A-822 Limited	Ireland
ILFC Aircraft 33A-911 Limited	Ireland
ILFC Aircraft 73B-29344 Limited	Ireland
ILFC Aircraft 73B-29368 Limited	Ireland
ILFC Aircraft 73B-29369 Limited	Ireland
ILFC Aircraft 73B-30658 Limited	Ireland

ILFC Aircraft 73B-30665 Limited	Ireland
ILFC Aircraft 73B-30667 Limited	Ireland
ILFC Aircraft 73B-30669 Limited	Ireland
ILFC Aircraft 73B-30672 Limited	Ireland
ILFC Aircraft 73B-30673 Limited	Ireland
ILFC Aircraft 73B-30694 Limited	Ireland

ILFC Aircraft 73B-30695 Limited	Ireland
ILFC Aircraft 73B-30696 Limited	Ireland
ILFC Aircraft 73B-30701 Limited	Ireland
ILFC Aircraft 73B-35275 Limited	Ireland
ILFC Aircraft 73B-38828 Limited	Ireland
ILFC Aircraft 73B-41784 Limited	Ireland
ILFC Aircraft 73B-41785 Limited	Ireland
ILFC Aircraft 73B-41789 Limited	Ireland
ILFC Aircraft 73B-41790 Limited	Ireland
ILFC Aircraft 73B-41791 Limited	Ireland
ILFC Aircraft 73B-41792 Limited	Ireland
ILFC Aircraft 73B-41793 Limited	Ireland
ILFC Aircraft 73B-41795 Limited	Ireland
ILFC Aircraft 73B-41802 Limited	Ireland
ILFC Aircraft 73B-41803 Limited	Ireland
ILFC Aircraft 75B-26254 Limited	Ireland
ILFC Aircraft 75B-26330 Limited	Ireland
ILFC Aircraft 75B-27208 Designated Activity Company	Ireland
ILFC Aircraft 75B-29381 Limited	Ireland
ILFC Aircraft 76B-27610 Limited	Ireland
ILFC Aircraft 76B-27616 Limited	Ireland
ILFC Aircraft 76B-27958 Limited	Ireland
ILFC Aircraft 76B-28111 Limited	Ireland
ILFC Aircraft 76B-28207 Limited	Ireland
ILFC Aircraft 76B-29435 Limited	Ireland
ILFC Aircraft 77B-29908 Limited	Ireland
ILFC Aircraft 78B-38785 Limited	Ireland
ILFC Ireland 2 Limited	Ireland
ILFC Ireland 3 Limited	Ireland
ILFC Ireland Leasing Limited	Ireland
ILFC Ireland Limited	Ireland
Iridium Funding Limited	Ireland
Jade Aircraft Leasing Limited	Ireland
Jasmine Aircraft Leasing Limited	Ireland
Jasper Aircraft Leasing Limited	Ireland
Leostream Aircraft Leasing Limited	Ireland
Librastream Aircraft Leasing Limited	Ireland
Limelight Funding Limited	Ireland
Lishui Aircraft Leasing Limited	Ireland
Mainstream Aircraft Leasing Limited	Ireland
Melodic Aircraft Leasing Limited	Ireland

Menelaus I Limited	Ireland
Menelaus II Designated Activity Company	Ireland
Menelaus III Limited	Ireland
Menelaus IV Limited	Ireland
Menelaus V Limited	Ireland
Menelaus VI Limited	Ireland
Menelaus VII Limited	Ireland
Menelaus VIII Limited	Ireland
Mentes I Ireland Leasing Limited	Ireland
Mentes II Ireland Leasing Limited	Ireland
Mentes III Ireland Leasing Limited	Ireland
Mentes IV Ireland Leasing Limited	Ireland
Mentes V Ireland Leasing Limited	Ireland
Mentes VI Ireland Leasing Limited	Ireland

Mentes VII Ireland Leasing Limited	Ireland
Monophonic Aircraft Leasing Limited	Ireland
Moonlight Aircraft Leasing (Ireland) Limited	Ireland
NimbusFunding Limited	Ireland
Philharmonic Aircraft Leasing Limited	Ireland
Polyphonic Aircraft Leasing Limited	Ireland
Quadrant MSN 5719 Limited (5%)	Ireland
Quadrant MSN 5802 Limited (5%)	Ireland
Quadrant MSN 5869 Limited	Ireland
RainbowFunding Limited	Ireland
Riggs Leasing Limited	Ireland
Rouge Aircraft Leasing Limited	Ireland
Scandium Funding Limited	Ireland
Scarlet Aircraft Leasing Limited	Ireland
Shrewsbury Aircraft Leasing Limited	Ireland
SkyFunding II Holdings Limited	Ireland
SkyFunding II Limited	Ireland
SkyFunding Leasing 1 Limited (5%)	Ireland
SkyFunding Limited	Ireland
Skylease MSN (3365) Limited	Ireland
Skylease MSN (3392) Limited	Ireland
Skylease MSN 3545 Limited	Ireland
Skylease MSN 3564 Limited	Ireland
Skylease MSN 3574 Limited	Ireland
Skylease MSN 3711 Limited	Ireland
Skylease MSN 3778 Limited	Ireland
Skylease MSN 3825 Limited	Ireland

Skylease MSN 3859 Limited	Ireland
Skylease MSN 4168 Limited	Ireland
Skylease MSN 4241 Limited	Ireland
Skylease MSN 4254 Limited	Ireland
Skylease MSN 4267 Limited	Ireland
Skyscape Limited	Ireland
SoraFunding Limited	Ireland
StratocumulusFunding Limited	Ireland
StratusFunding Limited	Ireland
Streamline Aircraft Leasing Limited	Ireland
Sunflower Aircraft Leasing Limited	Ireland
Symphonic Aircraft Leasing Limited	Ireland
Synchronic Aircraft Leasing Limited	Ireland
Temescal Aircraft 32A-2383 Limited	Ireland
Temescal Aircraft 33A-0758 Limited	Ireland
TetraFunding Limited	Ireland
Transversal Aircraft Holdings Limited	Ireland
Transversal Aircraft Leasing II Limited	Ireland
Transversal Aircraft Leasing Limited	Ireland
Triple Eight Aircraft Holdings Limited	Ireland
Triple Eight Aircraft Leasing Limited	Ireland
Verde Aircraft Finance Limited	Ireland
Verde Aircraft Investment Limited	Ireland
Virgostream Aircraft Leasing Limited	Ireland
Whitney Ireland Leasing Limited	Ireland
XLease MSN 3008 Limited	Ireland
XLease MSN 3420 Limited	Ireland
Acorn Aviation Limited	Isle of Man
AerCap Holding (IOM) Limited	Isle of Man
AerCap International (Isle of Man) Limited	Isle of Man
AerCap IOM 2 Limited	Isle of Man
AerCap Note Purchaser (IOM) Limited	Isle of Man
CRESCENT AVIATION LIMITED	Isle of Man
Stallion Aviation Limited	Isle of Man
AerCap Jet Limited	Jersey
Delos Finance S.a.r.l.	Luxembourg
ILFC Labuan ECA Ltd.	Malaysia
ILFC Labuan Ltd.	Malaysia
AerCap A330 Holdings B.V.	Netherlands

AerCap AerVenture Holding B.V.	Netherlands
AerCap Aircraft 73B-30645 B.V.	Netherlands
AerCap Aircraft 73B-30661 B.V.	Netherlands
AerCap Aviation Solutions B.V.	Netherlands
AerCap B.V.	Netherlands
AerCap Dutch Aircraft Leasing I B.V.	Netherlands
AerCap Dutch Aircraft Leasing IV B.V.	Netherlands
AerCap Dutch Aircraft Leasing VII B.V.	Netherlands
AerCap Dutch Global Aviation B.V.	Netherlands
AerCap Group Services B.V.	Netherlands
AerCap International B.V.	Netherlands
AerCap Leasing XIII B.V.	Netherlands
AerCap Leasing XXX B.V.	Netherlands
AerCap Netherlands B.V.	Netherlands
Annamite Aircraft Leasing B.V.	Netherlands
BlowfishFunding B.V.	Netherlands
Clearstream Aircraft Leasing B.V.	Netherlands
FodiatorFunding B.V.	Netherlands
Harmony Funding B.V.	Netherlands
Harmony Funding Holdings B.V.	Netherlands
ILFC Aviation Services (Europe) B.V.	Netherlands
NimbusFunding B.V.	Netherlands
Sapa Aircraft Leasing 2 B.V.	Netherlands
Sapa Aircraft Leasing B.V.	Netherlands
StratocumulusFunding B.V.	Netherlands
Worldwide Aircraft Leasing B.V.	Netherlands
AerCap Singapore Pte. Ltd.	Singapore
AeroTurbine Asia Pte. Ltd.	Singapore
ILFC Singapore Pte. Ltd.	Singapore
AerFi Sverige AB	Sweden
International Lease Finance Corporation (Sweden) AB	Sweden
AerCap UK Limited	United Kingdom
AeroTurbine Europe Limited	United Kingdom
Aircraft 32A-3424 Limited	United Kingdom
Aircraft 32A-3454 Limited	United Kingdom
Archytas Aviation Limited	United Kingdom
ILFC UK Limited	United Kingdom
Temescal UK Limited	United Kingdom
Whitney UK Leasing Limited	United Kingdom
AerCap Global Aviation Trust	United States
AerCap Group Services, Inc	United States

AerCap Hangar 52, Inc.	United States
AerCap Leasing USA I, Inc.	United States
AerCap Leasing USA II, Inc.	United States
AerCap U.S. Global Aviation LLC	United States
AerCap, Inc.	United States
AeroTurbine, Inc.	United States
Aircraft 32A-1658 Inc.	United States
Aircraft 32A-1695 Inc.	United States
Aircraft 32A-1905 Inc.	United States
Aircraft 32A-1946 Inc.	United States
Aircraft 32A-2024 Inc.	United States
Aircraft 32A-2594 Inc.	United States
Aircraft 32A-2731 Inc.	United States
Aircraft 32A-585 Inc.	United States
Aircraft 32A-645 Inc.	United States
Aircraft 32A-726 Inc.	United States
Aircraft 32A-760 Inc.	United States
Aircraft 32A-775 Inc.	United States
Aircraft 32A-782 Inc.	United States
Aircraft 32A-987 Inc.	United States
Aircraft 32A-993, Inc.	United States
Aircraft 33A-132, Inc.	United States

Aircraft 33A-358 Inc.	United States
Aircraft 34A-152 Inc.	United States
Aircraft 34A-216 Inc.	United States
Aircraft 34A-395 Inc.	United States
Aircraft 34A-48 Inc.	United States
Aircraft 34A-93 Inc.	United States
Aircraft 73B-25374 Inc.	United States
Aircraft 73B-25375 Inc.	United States
Aircraft 73B-26315 Inc.	United States
Aircraft 73B-26317 Inc.	United States
Aircraft 73B-26323 Inc.	United States
Aircraft 73B-28249 Inc.	United States
Aircraft 73B-28252 Inc.	United States
Aircraft 73B-30036 Inc.	United States
Aircraft 73B-30646 Inc.	United States
Aircraft 73B-30661 Inc.	United States
Aircraft 73B-30671 Inc.	United States
Aircraft 73B-30730 Inc.	United States
Aircraft 73B-31127 Inc.	United States

Aircraft 73B-32796 Inc.	United States
Aircraft 73B-32841 Inc.	United States
Aircraft 73B-33220 Inc.	United States
Aircraft 73B-38821 Inc.	United States
Aircraft 73B-41794 Inc.	United States
Aircraft 73B-41796 Inc.	United States
Aircraft 73B-41806 Inc.	United States
Aircraft 73B-41815 Inc.	United States
Aircraft 74B-27602 Inc.	United States
Aircraft 75B-28834 Inc.	United States
Aircraft 75B-28836 Inc.	United States
Aircraft 76B-26261 Inc.	United States
Aircraft 76B-26327 Inc.	United States
Aircraft 76B-26329 Inc.	United States
Aircraft 76B-27597 Inc.	United States
Aircraft 76B-27600 Inc.	United States
Aircraft 76B-27613 Inc.	United States
Aircraft 76B-27615 Inc.	United States
Aircraft 76B-28132 Inc.	United States
Aircraft 76B-28206 Inc.	United States
Aircraft 77B-29404 Inc.	United States
Aircraft 77B-29908 Inc.	United States
Aircraft 77B-32717 Inc.	United States
Aircraft 77B-32723 Inc.	United States
Aircraft A330 143 Inc.	United States
Aircraft A330 72 Inc.	United States
Aircraft A330 98 Inc.	United States
Aircraft Andros Inc.	United States
Aircraft B757 29377 Inc.	United States
Aircraft B757 29382 Inc.	United States
Aircraft B767 29388 Inc.	United States
Aircraft Lotus Inc.	United States
Aircraft SPC-12, LLC	United States
Aircraft SPC-14, Inc.	United States
Aircraft SPC-3, Inc.	United States
Aircraft SPC-4, Inc.	United States
Aircraft SPC-8, Inc.	United States
Aircraft SPC-9, LLC	United States
Apollo Aircraft Inc.	United States
Artemis US Inc.	United States
Brokat Leasing, LLC	United States

CABREA, Inc.	United States

Camden Aircraft Leasing Trust	United States
Charmlee Aircraft Inc.	United States
Cloudbreak Aircraft Leasing Inc.	United States
Delos Aircraft Inc.	United States
Doheny Investment Holding Trust	United States
Euclid Aircraft, Inc.	United States
Fleet Solutions Holdings Inc.	United States
Flying Fortress Financing, LLC	United States
Flying Fortress Holdings, LLC	United States
Flying Fortress Investments, LLC	United States
Flying Fortress US Leasing Inc.	United States
Grand Staircase Aircraft, LLC	United States
Hyperion Aircraft Financing Inc.	United States
Hyperion Aircraft Inc.	United States
ILFC Aviation Consulting, Inc.	United States
ILFC Dover, Inc.	United States
ILFC Volare, Inc.	United States
Interlease Aircraft Trading Corporation	United States
Interlease Management Corporation	United States
International Lease Finance Corporation	United States
Klementine Holdings, Inc.	United States
Klementine Leasing, Inc.	United States
Maiden Leasing, LLC	United States
Park Topanga Aircraft, LLC	United States
Pelican 35302, Inc.	United States
Romandy Triple Sept LLC	United States
States Aircraft, Inc.	United States
Temescal Aircraft, LLC	United States
Top Aircraft, Inc.	United States
Whitney US Leasing, Inc.	United States

Participations

AerDragon Aviation Partners Limited and Subsidiaries (16.7%)	Ireland
Peregrine Aviation Company Limited and Subsidiaries (9.5%)	Ireland
AerLift Leasing Limited and Subsidiaries (39.3%)	Isle of Man
Acsal Holdco LLC (19.4%)	United States

Exhibit 12.1

CERTIFICATION

I, Aengus Kelly, certify that:

1. I have reviewed this annual report on Form 20-F of AerCap Holdings N.V.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d- 15(f)) for the company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: March 9, 2018

/s/ Aengus Kelly

Signature

Aengus Kelly
Chief Executive Officer

Exhibit 12.2

CERTIFICATION

I, Peter Juhas, certify that:

1. I have reviewed this annual report on Form 20-F of AerCap Holdings N.V.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d- 15(f)) for the company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: March 9, 2018

/s/ Peter Juhas

Signature

Peter Juhas
Chief Financial Officer

Exhibit 13.1

CERTIFICATION

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), each of the undersigned officers of AerCap Holdings N.V. (the "Company"), does hereby certify, to such officer's knowledge, that:

The Annual Report on Form 20-F for the year ended December 31, 2017 (the "Form 20-F") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 20-F fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 9, 2018 By:

/s/ Aengus Kelly

Aengus Kelly

Chief Executive Officer

Date: March 9, 2018 By:

/s/ Peter Juhas

Peter Juhas

Chief Financial Officer

Exhibit 15.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form F-3 (No. 333-205129) and on Form S-8 (Nos. 333-194638, 333-194637, 333-180323, 333-165839, and 333-154416) of AerCap Holdings N.V. of our report dated March 9, 2018 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 20-F.

Amsterdam, March 9, 2018
PricewaterhouseCoopers Accountants N.V.

/s/W.J. van der Molen RA