



International Air Transport Association

AWG

Aviation Working Group

December 2, 2002

**Re: Master Short Term Engine Lease Agreement
(IATA Document No. 5016-00)**

The International Air Transport Association (IATA) and the Aviation Working Group (AWG) are pleased to release the Master Short-Term Engine Lease Agreement, 2002 (IATA Document No. 5016-00) (Document).

The Document may be used, without charge, by any parties - whether or not members of IATA or AWG, and may be amended as they deem fit, as described in more detail in the Preparatory Note on the cover of the Document. It has been posted on IATA's public website. It will also be available on the AWG's website.

The Document was prepared by working parties from IATA and AWG with expertise in short-term engine leasing.

The Document sets out standardised wording on technical and legal matters and clearly identifies commercial areas for commercial decision-making. The objective is to streamline the negotiation process and reduce transaction costs for both parties.

The structure of the Document is that of a master form - which is not signed - but rather is incorporated by reference in any particular transaction through an individually executed short-form "Lease Agreement". Any amendments the parties wish to make to the master form, can be set out in Part III of the Lease Agreement which is attached as annex 2 to the Document. For convenience, the short-form Lease Agreement will also be posted on the IATA and AWG websites, in downloadable word format.

IATA and AWG will review the Document on an annual basis to determine whether modifications are appropriate based on its use in practice.

IATA and AWG will consider the prospects of further standardisation efforts based, in part, on the reaction of the industry to this project.

Sincerely,

Robert Donald
General Counsel
International Air Transport
Association

Jeffrey Wool
Secretary and General Counsel
Aviation Working Group