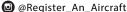
SEPTEMBER 2015

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LABACE remains robust despite turbulence

This year's Latin American Business Aviation Conference and Exhibition (LABACE), held from 11-13 August at Sao Paulo's Congonhas Airport, mirrored the fortunes of the Brazilian economy. Against a background of negative growth and reduced demand, exacerbated by the challenges of a currency weakening against the US Dollar and a corporate aviation market hit by rising fuel prices in the wake of the Petrobas corruption scandal, it was not perhaps surprising that LABACE 2015 featured a substantially reduced static display of 48 aircraft, compared to 68 two years ago, with visitor and exhibitor figures similar to the much diminished 2014 event.

However Eduardo Marson Ferreira, chairman of the Associacao Brasileira de Aviacao Geral (ABAG), the event's organiser, pointed to the attendance of all the major coprorate fixed wing and rotary manufacturers as a demonstration of their commitment to the market. "This year was difficult for the economy and for aviation," he said. "Everyone knows sacrifices need to be made. But all the big manufacturers will be here, all the big service providers will be here. They may be less festive, they may be less in a mood to celebrate, but they are here."

Among the highlights, local manufacturer Embraer displayed its full range of aircraft and used the opportunity to confirm home certification of its legacy 450. Gulfstream displayed its flagship G650ER and Textron Aviation brought its new Citation Latitude for the first time. Europe's Airbus also used the event to promote its forthcoming range of ACJ320neo aircraft the manufacturer again seeing significant potential in the Brazilian and wider Latin American market.

The Honda Aircraft Company (HAC) chose LABACE for the first public appearance in South America of the HondaJet, its first commercial aircraft, ahead of a demonstration tour to showcase the aircraft's performance capabilities to Brazilian customers. Claimed as the fastest, highest-flying, quietest and most fuel-efficient jet in its class, the US-based manufacturer reported receiving multiple orders during the show. HAC's President and CEO Michimasa Fujino said: "There is strong market potential in Brazil and HAC is committed to creating a higher standard for the light jet market in South America.

Challenging times in Brazil

Eduardo Marson Ferreira, outgoing Chairman of Brazilian general aviation industry group ABAG, said in his opening session address to LABACE that 2015 would turn out to be "a challenging year, to say the least." He noted that Brazilian general aviation had been growing at an annual rate of 5-6%, above a world average of 3%, but "last year we were down to the world

ABAG has also warned that the 2016 Olympic Games in Rio de Janeiro may be as much of a disappointment for the business aviation community as last year's World Cup soccer championship because the Brazilian authorities appear set to impose operational restrictions that will severely constrain the use of business aircraft. In practical terms next year's LABACE show may be impacted because the Olympic soccer tournament is being staged in Sao Paulo and airport authority Infraero has demanded to use the show site as a business aviation terminal.

Harrods and the Eclipse

Upmarket retailer Harrods has linked up with Aeris Aviation, the UK distributor of ONE Aviation's entry level Eclipse 550, to offer a special edition of the aircraft through the iconic department store in London's Knightsbridge. A specially branded model of the aircraft is being displayed in Harrods during August and September to promote the aircraft, which retails at \$3.4 million. As an additional incentive, purchasers of the Harrods aircraft will receive a store card pre-loaded with \$50,000. Guy Cheston, director of Harrods Media, said: "Harrods has always prided itself on offering the most exclusive and unique products, and the Aeris Eclipse 550 personal jet is certainly one to excite our discerning clientele."

Comlux and Sukhoi

Swiss-based corporate charter airline Comlux Aviation has taken delivery of the first Russian-built Sukhoi Business Jet (RRJ-95B) to be registered in Western Europe. The airliner, originally ordered by domestic carrier UTAir, has been ferried to Comlux's facility in Indianapolis for an executive refit expected to take up to eight months. The SBJ has been placed on the Maltese register (bearing the appropriate marks 9H-SBJ) and is expected to enter service in the charter market in Kazakhstan early next year.

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Ownership solutions

Leveraging the Sovereign Group's wealth of experience in the provision of corporate services, RANA offers ownership solutions tailored specifically to aviation assets. We can recommend appropriate jurisdictions and corporate structures for asset protection, including tax and succession planning, as well as advising on requirements and restrictions of particular registries.

The carefully planned use of a company structure - or special purpose vehicle (SPV) - can provide a number of distinct advantages to the owner of private aircraft or other types of aviation asset. Access to corporate limited liability and enhanced levels of confidentiality are the most obvious, but a company structure can also provide significant potential benefits in respect of inheritance tax and succession planning, as well as simplifying any future sale of the asset resulting in savings of time and cost. Sovereign can establish structures in jurisdictions worldwide that are best suited to an aircraft's registration and usage.

Cloudmaster - Classic airliner conversion

London-based Cloudmaster Limited has an exciting project to restore and operate a Douglas DC-6 for private ownership and worldwide charter. Ownership of this transatlantic airliner of the golden age is available in eight equal shares, each giving access to the aircraft on a minumum of 34 days each year. Unlike traditional aircraft fractional programmes, shares can be sold at any time or held indefinitely, and use is expressed in days rather than hours, to facilitate longer cruises over several days whilst retaining the utility of aircraft for shorter business or leisure trips.

The DC-6, widely considered to be the finest piston-engined airliner of all time, is sized between the Boeing BBJ and Embraer Lineage, and will accommodate up to 28 in a large cabin originally designed for 102. Cloudmaster Limited has collaborated with the award-winning designers Bannenberg & Rowell, renowned for exacting bespoke yacht and residential projects, to create an interior that "eschews the language of the business jet and instead explores themes and influences from the aircraft's long and distinguished past."

With a range of over 6,600km and capable of operating from a variety of surprisingly short runway surfaces, the Cloudmaster DC-6 is airways and all-weather capable. Leaving London at breakfast, you could arrive in New York in time for a show. It can also fly at low level when appropriate, without the severe performance penalty this would impose on a jet-engined aircraft, giving guests a more intimate perspective on the journey.

Shares are available now, giving owners the thrill of watching this beautiful aircraft restored to perfection, in anticipation of enjoying its unique pleasures on completion. For more details contact Cloudmaster Limited at info@cloudmaster.aero or +44 (0) 207 0605497.

www.cloudmaster.aero.





Corporate aircraft news

Textron Aviation's Cessna Citation Latitude received FAA certification in June this year and the first example was delivered to US-based clients at the end of August. One of the major initial customers will be fractional operator NetJets, which has committed to 150 aircraft. At the same time the aircraft started a 28-day demonstration tour covering a total of 39 airports across the USA. The Latitude also made its debut at LABACE and is expected to receive certification from the Brazilian regulator ANAC early next year.

In other news the US manufacturer has confirmed that the Citation M2 has now been certified for operations at airports with an elevation of up to 14,000ft (4,267m). This will allow the aircraft to be operated from "hot and high" fields (such as La Paz in Bolivia) - a key requirement because Textron is marketing the aircraft at customers in Latin America.

Brazilian manufacturer Embraer used the stage at LABACE to announce that its Legacy 450 had received certification from ANAC. It confirmed that the aircraft's performance statistics (specifically range and take-off/landing distance) had improved as a result of the test programme. It later announced that the aircraft had also received approval from the FAA and that initial deliveries would take place before year-end. Embraer further reported the delivery of the first example of its larger Legacy 500 (registration XA-TUB) to Mexican executive aviation operator Transpais Aereo. The mid-size jet has also now entered service with customers in China, Saudia Arabia and the US.

Denver-based XTI Aircraft has launched a crowdfunding campaign to raise up to \$50 million to allow development of its six-seat vertical take-off TriFan 600.



AIRCRAFT FACT FILE \\

Douglas DC-6



CATEGORY

Classic airliner

MANUFACTURER

Douglas Aircraft Company, USA

ENGINE

4 x P&W R2800 CB16 Double Wasp radial engines

LENGTH WINGSPAN 30.66 m 32.18 m

RANGE MAX. SPEED

6,660 km 555 kmh

SEATING CAPACITY NO. OF CREW

102 (Cloudmaster 28 - 13 sleeping)

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MAXIMUM TAKE-OFF WEIGHT (MTOW)

47,000 kg

DESCRIPTION

A total of 704 examples of the DC-6 were produced by the Douglas Aircraft Company between 1946 and 1958. The project was originally launched in 1944 to fulfil a requirement from the US military for a long range, stretched and pressurised development of the popular DC-4. The commercial DC-6 featured more powerful engines and a fuselage 200cm longer than its predecessor. The aircraft first flew in June 1946 with initial customer deliveries following in November of that year.

Four principal versions of the aircraft were produced - the baseline DC-6, the freighter DC-6A, the DC-6B (passenger version of the DC-6A) and the convertible passenger/freight DC-6C. The aircraft proved popular with airlines during the 1950s and was used extensively to open new routes across the Atlantic and Pacific. In 2015 a small number of aircraft remain in service with cargo operators in remote parts of the world. The Cloudmaster project promises an exciting new lease of life for the design.