

AIR LEASE CORP  
Form S-4  
November 27, 2012

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As filed with the Securities and Exchange Commission on November 27, 2012

Registration No. 333-

## SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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### Form S-4

REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

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### Air Lease Corporation

(Exact name of each registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**7359**  
(Primary Standard Industrial  
Classification Code Number)  
**2000 Avenue of the Stars, Suite 1000N**  
**Los Angeles, CA 90067**  
**(310) 553-0555**

**27-1840403**  
(I.R.S. Employer  
Identification Number)

(Address, including zip code, and telephone number, including area code,  
of principal executive offices of the registrant and each additional registrant)

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**Gregory B. Willis**  
**Senior Vice President & Chief Financial Officer**  
**Air Lease Corporation**  
**2000 Avenue of the Stars, Suite 1000N**  
**Los Angeles, CA 90067**  
**(310) 553-0555**

(Name, address, including zip code, and telephone number, including area code,  
of agent for service for the registrant and each additional registrant)

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#### Copies to:

**Carol H. Forsyte**  
**Executive Vice President,**  
**General Counsel, Corporate Secretary &**  
**Chief Compliance Officer**  
**Air Lease Corporation**  
**2000 Avenue of the Stars, Suite 1000N**

**Mark H. Kim, Esq.**  
**Munger, Tolles & Olson LLP**  
**355 S. Grand Avenue, 35th Floor**  
**Los Angeles, CA 90071**  
**(213) 683-9100**

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Los Angeles, CA 90067  
(310) 553-0555

Approximate date of commencement of proposed sale to public:  
As soon as practicable after this registration statement becomes effective.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company   
(Do not check if a smaller reporting company)

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit(1)	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee
4.500% Senior Notes due 2016	\$500,000,000	100%	\$500,000,000	\$68,200

(1) This estimate is made pursuant to Rule 457(f) of the Securities Act of 1933, as amended (the "Securities Act"), solely for the purpose of calculating the registration fee.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment that specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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**The information in this prospectus is not complete and may be changed. We may not sell these notes until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these notes and is not soliciting an offer to buy these notes in any state where the offer or sale is not permitted.**

**Subject to completion, dated November 27, 2012**

**PROSPECTUS**

## **AIR LEASE CORPORATION**

### **OFFER TO EXCHANGE**

**\$500,000,000 of 4.500% Senior Notes due 2016  
that have been registered under the Securities Act of 1933, as amended,  
for any and all outstanding 4.500% Senior Notes due 2016**

We are offering to exchange up to \$500,000,000 aggregate principal amount of outstanding 4.500% Senior Notes due 2016 (the "old notes") for the same principal amount of registered 4.500% Senior Notes due 2016 (the "new notes" and collectively with the old notes, the "notes"). The old notes were issued on September 26, 2012 and October 3, 2012 in two separate private offerings exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"), in the amount of \$450,000,000 aggregate principal amount of old notes and \$50,000,000 aggregate principal amount of old notes, respectively. The terms of the new notes are substantially identical in all material respects to the terms of the old notes, except that the new notes will be registered under the Securities Act and will not contain restrictions on transfer, registration rights or provisions for additional interest. The new notes will bear interest at the rate of 4.500% per year, payable in cash semi-annually in arrears on January 15 and July 15, beginning on \_\_\_\_\_, 2013.

The principal features of the exchange offer are as follows:

We will exchange all old notes that are validly tendered and not properly withdrawn prior to the expiration of the exchange offer for an equal principal amount of new notes.

You may withdraw tendered old notes at any time prior to the expiration of the exchange offer.

The exchange offer is not subject to any minimum tender condition, but is subject to customary conditions.

The exchange offer will expire at 5:00 p.m., New York City time, on \_\_\_\_\_, 2013, unless extended. We do not currently intend to extend the expiration date.

The exchange of old notes for new notes pursuant to the exchange offer will not be a taxable event for United States federal income tax purposes.

We will not receive any proceeds from the exchange offer.

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There is no existing public market for the old notes or the new notes. We do not intend to apply for listing of the new notes on any securities exchange or automated quotation system.

All untendered old notes will continue to be subject to the restrictions on transfer set forth in the old notes and the indenture governing the notes. In general, the old notes may not be offered or sold, except in a transaction registered under the Securities Act or pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. Other than in connection with the exchange offer, we do not currently anticipate that we will register the old notes under the Securities Act.

**See "Risk Factors" beginning on page 17 for a discussion of certain risk factors that you should consider in evaluating the exchange offer.**

Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. The letter of transmittal states that by so acknowledging and delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for old notes where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period of 180 days after the expiration date, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See "Plan of Distribution" on page 70.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

The date of this prospectus is , 2012.

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You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized anyone to provide you with different information. We are not making an offer to exchange the new notes in any jurisdiction where it is not permitted. You should assume that the information contained in this prospectus is accurate only as of the date on the front cover of this prospectus and you should assume that the information in any document incorporated by reference in this prospectus is accurate only as of the date of that document. Our business, financial condition, results of operations and prospects may have changed since those dates.

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In this prospectus, unless otherwise indicated or the context otherwise requires, the terms "Company," "ALC," "we," "our" and "us" refer to Air Lease Corporation and its consolidated subsidiaries.

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**WHERE YOU CAN FIND MORE INFORMATION**

We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and, in accordance with the Exchange Act, file annual, quarterly and current reports, proxy and information statements and other information with the Securities and Exchange Commission (the "SEC"). You may read and copy the material we file with the SEC at the SEC's public reference room in Washington, D.C. at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You can also request copies of those documents, upon payment of prescribed fees, by writing to the SEC. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference rooms. Our SEC filings are also available to the public free of charge on the SEC's website at [www.sec.gov](http://www.sec.gov).

Our filings with the SEC are also available free of charge on our website at [www.airleasecorp.com](http://www.airleasecorp.com). The contents of our website are not incorporated by reference into this prospectus. You may also request a copy of our SEC filings, at no cost, by writing or telephoning our General Counsel and Secretary at:

Air Lease Corporation  
General Counsel and Secretary  
2000 Avenue of the Stars, Suite 1000N  
Los Angeles, California 90067  
(310) 553-0555

**In order to ensure timely delivery, you must make such request no later than five business days before the expiration of the exchange offer.**

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**INCORPORATION BY REFERENCE**

This prospectus "incorporates by reference" certain information we file with the SEC under the Exchange Act. This means that we are disclosing important information to you by referring you to these filings. The information we incorporate by reference is considered a part of this prospectus, and subsequent information that we file with the SEC will automatically update and supersede this information.

Any statement contained in a document incorporated or considered to be incorporated by reference in this prospectus shall be considered to be modified or superseded for purposes of this prospectus to the extent a statement contained in this prospectus or in any other subsequently filed document that is or is deemed to be incorporated by reference in this prospectus modifies or supersedes such statement.

We incorporate by reference the following documents that we have filed with the SEC, except to the extent that information in such documents is updated or superseded by information contained in this prospectus:

Our Annual Report on Form 10-K for the fiscal year ended December 31, 2011 (including the portions of our proxy statement for our 2012 annual meeting of stockholders incorporated by reference therein);

Our Quarterly Reports on Form 10-Q for the quarterly period ended March 31, 2012, June 30, 2012 and September 30, 2012; and

Our Current Reports on Form 8-K filed January 18, 2012, March 9, 2012, March 13, 2012, March 19, 2012, April 12, 2012, April 25, 2012, May 7, 2012, May 16, 2012, July 9, 2012

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August 31, 2012, September 20, 2012, September 26, 2012, September 28, 2012, October 3, 2012 and October 10, 2012.

We are not incorporating by reference in this prospectus any information furnished under Item 2.02 or Item 7.01 of Form 8-K and exhibits furnished on such form that relate to such items.

In addition, we incorporate by reference any future filings we make with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act on or after the date of the initial registration statement and prior to effectiveness of the registration statement and on or after the date of this prospectus and prior to the termination of the exchange offer to which this prospectus relates. You may request copies, at no cost, of any and all of the documents that are incorporated by reference in this prospectus, including any future filings, by writing or telephoning our General Counsel and Secretary at the address and telephone number set forth above under "Where You Can Find More Information."

**In order to ensure timely delivery, you must make such request no later than five business days before the expiration of the exchange offer.**

These filings can also be obtained through the SEC as described above or, with respect to certain of these documents, at our website at [www.airleasecorp.com](http://www.airleasecorp.com). Except for the documents described above, information included or referred to on, or otherwise accessible through, our website is not incorporated by reference in this prospectus.

## **FORWARD-LOOKING STATEMENTS**

Statements in this prospectus, including the documents that are incorporated by reference in this prospectus, that are not historical facts are "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are based on our current intent, belief and expectations. We claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 for all forward-looking statements. These statements are often, but not always, made through the use of words or phrases such as "anticipate," "believes," "can," "could," "may," "predicts," "potential," "should," "will," "estimate," "plans," "projects," "continuing," "ongoing," "expects," "intends" and similar words or phrases. Accordingly, these statements are only predictions and involve estimates, known and unknown risks, and assumptions and uncertainties that could cause actual results to differ materially from those expressed in such statements. Our actual results could differ materially from those anticipated in such forward-looking statements as a result of several factors more fully described in the section titled "Risk factors" and elsewhere in this prospectus, including the following factors, among others:

our limited operating history;

our inability to make acquisitions of, or to lease, aircraft on favorable terms;

our inability to obtain additional financing on favorable terms, if required, to complete the acquisition of aircraft as currently contemplated or to fund the operations and growth of our business;

our inability to obtain refinancing prior to the time our debt matures;

impaired financial condition and liquidity of our lessees;

deterioration of economic conditions in the commercial aviation industry generally;

increased maintenance, operating or other expenses or changes in the timing thereof;

changes in the regulatory environment;





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potential natural disasters and terrorist attacks and the amount of our insurance coverage, if any, relating thereto; and

additional risks described in our filings with the SEC.

All forward-looking statements are necessarily only estimates of future results, and there can be no assurance that actual results will not differ materially from expectations, and, therefore, you are cautioned not to place undue reliance on such statements. Any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events.

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**PROSPECTUS SUMMARY**

*This summary highlights information contained or incorporated by reference in this prospectus. Because it is only a summary, it does not contain all of the information that may be important to you. You should read the entire prospectus and the documents incorporated by reference in this prospectus carefully before making an investment decision.*

**Our Company**

Air Lease Corporation is an aircraft leasing company based in Los Angeles, California. We are principally engaged in purchasing commercial aircraft and leasing them to airlines around the world to generate attractive returns on equity. We lease our aircraft to airlines pursuant to net operating leases that require the lessee to pay for maintenance, insurance, taxes and all other aircraft operating expenses during the lease term. For additional information about our business, operations and financial results, see the documents listed under "Incorporation by Reference."

Our principal executive office is located at 2000 Avenue of the Stars, Suite 1000N, Los Angeles, California 90067. Our telephone number is (310) 553-0555 and our website is [www.airleasecorp.com](http://www.airleasecorp.com). Information included or referred to on, or otherwise accessible through, our website is not intended to form a part of or be incorporated by reference into this prospectus.

**Risk Factors**

You should carefully consider all of the information contained in this prospectus, including information in documents incorporated by reference in this prospectus, prior to participating in the exchange offer. In particular, we urge you to carefully consider the factors set forth under "Risk Factors" in this prospectus and those risk factors incorporated by reference in this prospectus from our Annual Report on Form 10-K for the fiscal year ended December 31, 2011 and our other periodic reports filed with the SEC.

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**The Exchange Offer**

The summary below describes the principal terms of the exchange offer. Certain of the terms and conditions described below are subject to important limitations and exceptions. The sections of this prospectus entitled "The Exchange Offer" and "Description of Notes" contain a more detailed description of the terms and conditions of the exchange offer and the new notes.

No minimum condition	We are not conditioning the exchange offer on the tender of any minimum principal amount of old notes.
The exchange offer	We are offering to exchange \$500,000,000 aggregate principal amount of new notes registered under the Securities Act for the same principal amount of old notes. The terms of the new notes will be substantially identical in all material respects to the terms of the old notes, except that the provisions for transfer restrictions, registration rights and rights to payment of additional interest due to default in the performance of certain of our obligations under the Registration Rights Agreements applicable to the old notes will not apply to the new notes.
Expiration date	The exchange offer expires at 5:00 p.m., New York City time, on _____, 2013, unless we decide to extend the exchange offer. For additional information, see "The Exchange Offer Expiration date; extensions and amendments."
Conditions to the exchange offer	The exchange offer is not subject to any conditions other than that the exchange offer does not violate any applicable law or applicable SEC staff interpretations and there is no action or proceeding instituted in any court or by any governmental agency prohibiting us or any guarantor from proceeding with the exchange offer. We reserve the right to terminate or end the exchange offer at any time before the expiration date if the foregoing conditions are not satisfied. For additional information, see "The Exchange Offer Conditions to the exchange offer."
How to tender old notes for exchange	You may tender your old notes through book-entry transfer in accordance with The Depository Trust Company's Automated Tender Offer Program. If you wish to accept the exchange offer, you must:  transmit a properly completed and duly executed letter of transmittal, together with the old notes being tendered and all other documents required by such letter of transmittal, at or before 5:00 p.m., New York City time, on the expiration date, to the exchange agent at the address set forth under "The Exchange Offer The exchange agent"; or

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Guaranteed delivery procedures	arrange for The Depository Trust Company to transmit to the exchange agent certain required information, including an agent's message forming part of a book-entry transfer in which you agree to be bound by the terms of the letter of transmittal, and transfer the old notes being tendered into the exchange agent's account at The Depository Trust Company. For additional information, see "The Exchange Offer How to tender old notes for exchange." If you wish to tender your old notes and time will not permit your required documents to reach the exchange agent by 5:00 p.m., New York City time, on the expiration date, or the procedures for book-entry transfer cannot be completed on a timely basis, you may tender your old notes according to the guaranteed delivery procedures described in "The Exchange Offer Guaranteed delivery procedures."
Special procedures for beneficial owners	If you beneficially own old notes registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your old notes in the exchange offer, you should contact the registered holder of your old notes promptly and instruct the registered holder to tender on your behalf.
Withdrawal of tenders	You may withdraw your tender of old notes at any time prior to 5:00 p.m., New York City time, on the expiration date, by delivering a notice of withdrawal to the exchange agent in conformity with the procedures described under "The Exchange Offer Withdrawal rights."
Acceptance of old notes and delivery of new notes	We will accept any and all old notes that are validly tendered in the exchange offer and not properly withdrawn prior to 5:00 p.m., New York City time, on the expiration date. The new notes issued pursuant to the exchange offer will be delivered as soon as reasonably practicable following the expiration date. For additional information, see "The Exchange Offer Acceptance of old notes; delivery of new notes."

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Registration rights agreements

We are making the exchange offer pursuant to the registration rights agreement that we entered into on September 26, 2012, with the initial purchases of \$450.0 million aggregate principal amount of old notes, and the registration rights agreement that we entered into on October 3, 2012, with the initial purchaser of \$50.0 million aggregate principal amount of old notes (collectively, the "Registration Rights Agreements"). As a result of making and consummating this exchange offer, we will have fulfilled our obligations under the Registration Rights Agreements with respect to the registration of securities, subject to certain limited exceptions. If you do not tender your old notes in the exchange offer, you will not have any further registration rights under the applicable Registration Rights Agreement or otherwise unless you were or are not eligible to participate in the exchange offer.

Resale of the new notes

We believe the new notes issued in the exchange offer may be offered for resale, resold or otherwise transferred by you without compliance with the registration and prospectus delivery requirements of the Securities Act, provided that:

you are not an affiliate (within the meaning of Rule 405 of the Securities Act) of ours;

the new notes you receive pursuant to the exchange offer are being acquired in the ordinary course of your business;

you have no arrangement or understanding with any person to participate in the distribution (within the meaning of the Securities Act) of the new notes issued to you in the exchange offer;

if you are not a broker-dealer, you are not engaged in, and do not intend to engage in, a distribution of the new notes issued to you in the exchange offer; and

if you are a broker-dealer, you will receive the new notes for your own account, the old notes were acquired by you as a result of market-making or other trading activities, and you will deliver a prospectus when you resell or transfer any new notes issued to you in the exchange offer. See "Plan of Distribution" for a description of the prospectus delivery obligations of broker-dealers in the exchange offer.

If you do not meet these requirements, your resale of the new notes must comply with the registration and prospectus delivery requirements of the Securities Act.

Our belief is based on interpretations by the SEC staff, as set forth in no-action letters issued to third parties. The SEC staff has not considered this exchange offer in the context of a no-action letter, and we cannot assure you that the SEC staff would make a similar determination with respect to this exchange offer.

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	<p>If our belief is not accurate and you transfer a new note without delivering a prospectus meeting the requirements of the federal securities laws or without an exemption from these laws, you may incur liability under the federal securities laws. We do not and will not assume or indemnify you against this liability.</p> <p>For additional information, see "The Exchange Offer Resale of the new notes."</p>
Consequences of failure to exchange your old notes	<p>If you do not exchange your old notes for new notes in the exchange offer, your old notes will continue to be subject to the restrictions on transfer provided in the legend on the old notes and in the indenture governing the notes. In general, old notes may not be offered or sold unless registered or sold in a transaction exempt from registration under the Securities Act and applicable state securities laws. Accordingly, the trading market for your untendered old notes could be adversely affected. For additional information, see "The Exchange Offer Consequences of failure to exchange old notes."</p>
Use of proceeds	<p>We will not receive any proceeds from the exchange offer. For additional information, see "Use of Proceeds."</p>
Exchange agent	<p>The exchange agent for the exchange offer is Deutsche Bank Trust Company Americas. For additional information, see "The Exchange Offer The exchange agent" and the accompanying letter of transmittal.</p>
Material U.S. federal income tax consequences	<p>The exchange of your old notes for new notes will not be a taxable exchange for U.S. federal income tax purposes. <b>You should consult your own tax advisor as to the tax consequences to you of the exchange offer, as well as the tax consequences of ownership and disposition of the new notes.</b> For additional information, see "Material United States Federal Income Tax Consequences."</p>

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**The New Notes**

The terms of the new notes will be substantially identical in all material respects to the terms of the old notes, except that the provisions for transfer restrictions, registration rights and rights to payment of additional interest due to default in the performance of certain of our obligations under the Registration Rights Agreements applicable to the old notes will not apply to the new notes. The following is a summary of the principal terms of the new notes. A more detailed description is contained in the section "Description of Notes" in this prospectus.

Issuer	Air Lease Corporation, a Delaware corporation.
Securities	\$500.0 million aggregate principal amount of 4.500% Senior Notes due 2016.
Maturity	January 15, 2016.
Interest payment dates	January 15 and July 15, commencing _____, 2013. Interest will accrue from September 26, 2012, or, if interest with respect to the old notes has already been paid, from the most recent interest payment date for the old notes.
Optional redemption	At any time prior to September 26, 2015, we may redeem up to 40% of the original principal amount of the notes with the proceeds of certain equity offerings at a redemption price of 104.500% of the principal amount thereof, together with accrued and unpaid interest. At any time prior to January 15, 2016, we may also redeem the notes in whole or in part, at a price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, plus a "make-whole premium."
Change of control offer	Upon the occurrence of specific kinds of changes of control, we must offer to purchase the notes at 101% of the principal amount thereof, plus accrued and unpaid interest to the repurchase date. See "Description of Notes Repurchase at the option of holders Change of control."
Ranking	The new notes will be our senior unsecured obligations and will:  rank senior in right of payment to all of our future subordinated indebtedness;  rank equally in right of payment with all of our existing and future senior indebtedness;  be effectively subordinated to any of our existing and future secured debt, to the extent of the value of the assets securing such debt; and  be structurally subordinated to all of the existing and future indebtedness and other liabilities (including trade payables) of each of our subsidiaries.

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As of September 30, 2012:

we and our subsidiaries had approximately \$4.3 billion of total indebtedness on a consolidated basis;

we (excluding our subsidiaries) had approximately \$2.5 billion of unsecured indebtedness, guaranties of subsidiary indebtedness of approximately \$650.0 million that were secured by pledges of our equity in such subsidiaries, and no other secured indebtedness;

our subsidiaries had approximately \$1.8 billion of indebtedness, all of which would be structurally senior to the new notes; and

our subsidiaries had commitments of approximately \$329.7 million available to borrow under such subsidiaries' various credit facilities, none of which are guaranteed by us.

Covenants

We issued the old notes and will issue the new notes under an indenture with Deutsche Bank Trust Company Americas, as trustee. The indenture contains, among other things, financial maintenance tests covering:

consolidated net-worth;

consolidated unencumbered assets; and

interest coverage;

limits our ability and the ability of our subsidiaries to:

pay dividends on or repurchase certain equity interests or prepay subordinated obligations;

enter into transactions with affiliates; and

alter our lines of business;

limits the ability of our subsidiaries to incur unsecured indebtedness; and

limits our ability and the ability of any of our subsidiaries that guarantee the notes, if any, to consolidate, merge or sell all or substantially all of our assets or the assets of such subsidiary. These covenants are subject to a number of important exceptions and qualifications, including the suspension of the interest coverage test and the limitation on our ability and the ability of our subsidiaries to pay dividends on or repurchase certain equity interests or prepay subordinated obligations at such time as the notes are rated investment grade by each of S&P and Fitch. For more details, see "Description of Notes."



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Future note guarantees

The new notes will not be guaranteed by any of our subsidiaries on the date the new notes are initially issued. However, the new notes will be required to be guaranteed on a senior unsecured basis by all of our existing and future direct and indirect subsidiaries if those subsidiaries guarantee certain of our indebtedness. Thereafter, under certain circumstances, subsidiary guarantors may be released from their note guarantees without the consent of the holders of notes. The note guarantees, if any, would be the senior unsecured obligations of our subsidiaries that guarantee the notes. See "Description of Notes Note guarantees."

Absence of public market for the notes

The new notes are a new issue of securities and there is currently no established trading market for the new notes. If issued, the new notes generally will be freely transferable but will also be new securities for which there will not initially be a market. Accordingly, a liquid market for new notes may not develop. The initial purchasers of the old notes have advised us that they currently intend to make a market in the new notes. However, they are not obligated to do so, and any market making with respect to the new notes may be discontinued without notice.

Table of Contents**Summary Historical Consolidated Financial Information**

The following table sets forth summary consolidated financial data for Air Lease Corporation and subsidiaries. The historical results presented are not necessarily indicative of future results. The summary consolidated financial data set forth below should be read in conjunction with the financial statements and related notes incorporated by reference in this prospectus.

(in thousands)	Nine months ended September 30,		Year ended December 31, 2011	For the period from inception to December 31, 2010
	2012 (unaudited)	2011 (unaudited)		
<b>Operating data:</b>				
Rentals of flight equipment	\$ 459,643	\$ 219,092	\$ 332,719	\$ 57,075
Interest and other	6,008	2,592	4,022	1,291
Total revenues	465,651	221,684	336,741	58,366
Expenses	322,964	177,530	253,900	119,281
Income (loss) before taxes	142,687	44,154	82,841	(60,915)
Income tax (expense) benefit	(50,577)	(15,684)	(29,609)	8,875
Net income (loss)	\$ 92,110	\$ 28,470	\$ 53,232	\$ (52,040)
<b>Other financial data (unaudited):</b>				
Adjusted net income(1)	\$ 115,415	\$ 56,294	\$ 87,954	\$ 2,520
Adjusted EBITDA(2)	\$ 422,683	\$ 188,001	\$ 290,168	\$ 32,973
<b>Cash flow data:</b>				
Net cash flows from:				
Operating activities	\$ 372,496	\$ 166,197	\$ 267,166	\$ 41,934
Investing activities	(1,908,688)	(2,052,008)	(2,977,156)	(1,851,520)
Financing activities	1,694,068	1,836,637	2,662,974	2,138,407

(in thousands, except aircraft data)	As of September 30, 2012	As of December 31, 2011	As of December 31, 2010
	(unaudited)		
<b>Balance sheet data:</b>			
Flight equipment subject to operating leases (net of accumulated depreciation)	\$ 5,872,388	\$ 4,237,416	\$ 1,629,809
Total assets	7,165,478	5,164,593	2,276,282
Total debt	4,296,076	2,602,799	911,981
Total liabilities	4,879,806	2,988,310	1,051,347
Shareholders' equity	2,285,672	2,176,283	1,224,935
<b>Other operating data:</b>			
Aircraft lease portfolio at period end:			
Owned(3)	142	102	40
Managed(4)	3	2	

(1) Adjusted net income (defined as net income (loss) before stock-based compensation expense and non-cash interest expense, which includes the amortization of debt issuance costs, extinguishment of debt and convertible debt discounts) is a measure of both operating performance and liquidity that is not defined by GAAP and should not be considered as an alternative to net income, income from operations or any other performance measures derived in accordance with GAAP. Adjusted net income is presented as a supplemental disclosure because management believes that it may be a useful performance measure that is used within our industry. We believe

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adjusted net income provides useful information on our earnings from ongoing operations, our ability to service our long-term debt and other fixed obligations, and our ability to fund our expected growth with internally generated funds. Set forth below is additional detail as to how we use adjusted net income as a measure of both operating performance and liquidity, as well as a discussion of the limitations

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of adjusted net income as an analytical tool and a reconciliation of adjusted net income to our GAAP net loss and cash flow from operating activities.

*Operating Performance:* Management and our board of directors use adjusted net income in a number of ways to assess our consolidated financial and operating performance, and we believe this measure is helpful in identifying trends in our performance. We use adjusted net income as a measure of our consolidated operating performance exclusive of income and expenses that relate to the financing, income taxes, and capitalization of the business. Also, adjusted net income assists us in comparing our operating performance on a consistent basis as it removes the impact of our capital structure (primarily one-time amortization of convertible debt discounts) and stock-based compensation expense from our operating results. In addition, adjusted net income helps management identify controllable expenses and make decisions designed to help us meet our current financial goals and optimize our financial performance. Accordingly, we believe this metric measures our financial performance based on operational factors that we can influence in the short term, namely the cost structure and expenses of the organization.

*Liquidity:* In addition to the uses described above, management and our board of directors use adjusted net income as an indicator of the amount of cash flow we have available to service our debt obligations, and we believe this measure can serve the same purpose for our investors.

*Limitations:* Adjusted net income has limitations as an analytical tool, and should not be considered in isolation, or as a substitute for analysis of our operating results or cash flows as reported under GAAP. Some of these limitations are as follows:

adjusted net income does not reflect (i) our cash expenditures or future requirements for capital expenditures or contractual commitments, or (ii) changes in or cash requirements for our working capital needs; and

our calculation of adjusted net income may differ from the adjusted net income or analogous calculations of other companies in our industry, limiting its usefulness as a comparative measure.

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The following tables show the reconciliation of net income (loss) and cash flows from operating activities, the most directly comparable GAAP measures of performance and liquidity, to adjusted net income.

(in thousands)	Nine months ended September 30,		Year ended December 31,	For the period from inception to December 31,
	2012	2011	2011	2010
	(unaudited)			
<b>Reconciliation of cash flows from operating activities to adjusted net income:</b>				
Net cash provided by operating activities	\$ 372,496	\$ 166,197	\$ 267,166	\$ 41,934
Depreciation of flight equipment	(154,805)	(73,431)	(112,307)	(19,262)
Stock-based compensation	(24,548)	(30,974)	(39,342)	(24,044)
Deferred taxes	(50,573)	(15,684)	(29,567)	8,875
Amortization of discounts and deferred debt issue costs	(11,553)	(6,972)	(9,481)	(4,883)
Extinguishment of debt		(3,349)	(3,349)	
Amortization of convertible debt discounts				(35,798)
Changes in operating assets and liabilities:				
Other assets	20,114	15,427	17,438	8,040
Accrued interest and other payables	(48,085)	(13,465)	(19,347)	(18,864)
Rentals received in advance	(10,936)	(9,279)	(17,979)	(8,038)
Net income (loss)	92,110	28,470	53,232	(52,040)
Amortization of discounts and deferred debt issue costs	11,553	6,972	9,481	4,883
Extinguishment of debt		3,349	3,349	
Amortization of convertible debt discounts				35,798
Stock-based compensation	24,548	30,974	39,342	24,044
Tax effect	(12,796)	(13,471)	(17,450)	(10,165)
Adjusted net income	\$ 115,415	\$ 56,294	\$ 87,954	\$ 2,520

(in thousands)	Nine months ended September 30,		Year ended December 31,	For the period from inception to December 31,
	2012	2011	2011	2010
	(unaudited)			
<b>Reconciliation of net income to adjusted net income:</b>				
Net income (loss)	\$ 92,110	\$ 28,470	\$ 53,232	\$ (52,040)
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Extinguishment of debt		3,349	3,349	
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Stock-based compensation	24,548	30,974	39,342	24,044
Tax effect	(12,796)	(13,471)	(17,450)	(10,165)
Adjusted net income	\$ 115,415	\$ 56,294	\$ 87,954	\$ 2,520

(2)

Adjusted EBITDA (defined as net income (loss) before net interest expense, stock-based compensation expense, income tax expense, and depreciation and amortization expense) is a measure of both operating performance and liquidity that is not defined by GAAP and should not be considered as an alternative to net income, income from operations or any other performance measures derived in accordance with GAAP. Adjusted EBITDA is presented as a supplemental disclosure because management believes that it may be a useful performance measure that is used within our industry. We believe adjusted EBITDA provides useful information on our earnings from



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ongoing operations, our ability to service our long-term debt and other fixed obligations, and our ability to fund our expected growth with internally generated funds. Set forth below is additional detail as to how we use adjusted EBITDA as a measure of both operating performance and liquidity, as well as a discussion of the limitations of adjusted EBITDA as an analytical tool and a reconciliation of adjusted EBITDA to our GAAP net loss and cash flow from operating activities.

*Operating Performance:* Management and our board of directors use adjusted EBITDA in a number of ways to assess our consolidated financial and operating performance, and we believe this measure is helpful in identifying trends in our performance. We use adjusted EBITDA as a measure of our consolidated operating performance exclusive of income and expenses that relate to the financing, income taxes, and capitalization of the business. Also, adjusted EBITDA assists us in comparing our operating performance on a consistent basis as it removes the impact of our capital structure (primarily one-time amortization of convertible debt discounts) and stock-based compensation expense from our operating results. In addition, adjusted EBITDA helps management identify controllable expenses and make decisions designed to help us meet our current financial goals and optimize our financial performance. Accordingly, we believe this metric measures our financial performance based on operational factors that we can influence in the short term, namely the cost structure and expenses of the organization.

*Liquidity:* In addition to the uses described above, management and our board of directors use adjusted EBITDA as an indicator of the amount of cash flow we have available to service our debt obligations, and we believe this measure can serve the same purpose for our investors.

*Limitations:* Adjusted EBITDA has limitations as an analytical tool, and should not be considered in isolation, or as a substitute for analysis of our operating results or cash flows as reported under GAAP. Some of these limitations are as follows:

adjusted EBITDA does not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;

adjusted EBITDA does not reflect changes in or cash requirements for our working capital needs;

adjusted EBITDA does not reflect interest expense or cash requirements necessary to service interest or principal payments on our debt; and

other companies in our industry may calculate these measures differently from how we calculate these measures, limiting their usefulness as comparative measures.

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The following tables show the reconciliation of net income (loss) and cash flows from operating activities, the most directly comparable GAAP measures of performance and liquidity, to adjusted EBITDA.

(in thousands)	Nine months ended September 30,		Year ended December 31,	For the period from inception to December 31,
	2012	2011	2011	2010
	(unaudited)			
<b>Reconciliation of cash flows from operating activities to adjusted EBITDA:</b>				
Net cash provided by operating activities	\$ 372,496	\$ 166,197	\$ 267,166	\$ 41,934
Depreciation of flight equipment	(154,805)	(73,431)	(112,307)	(19,262)
Stock-based compensation	(24,548)	(30,974)	(39,342)	(24,044)
Deferred taxes	(50,573)	(15,684)	(29,567)	8,875
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Changes in operating assets and liabilities:				
Other assets	20,114	15,427	17,438	8,040
Accrued interest and other payables	(48,085)	(13,465)	(19,347)	(18,864)
Rentals received in advance	(10,936)	(9,279)	(17,979)	(8,038)
Net income (loss)	92,110	28,470	53,232	(52,040)
Net interest expense	100,643	39,442	55,678	50,582
Income taxes	50,577	15,684	29,609	(8,875)
Depreciation	154,805	73,431	112,307	19,262
Stock-based compensation	24,548	30,974	39,342	24,044
Adjusted EBITDA	\$ 422,683	\$ 188,001	\$ 290,168	\$ 32,973

(in thousands)	Nine months ended September 30,		Year ended December 31,	For the period from inception to December 31,
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<b>Reconciliation of net income to adjusted EBITDA:</b>				
Net income (loss)	\$ 92,110	\$ 28,470	\$ 53,232	\$ (52,040)
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Depreciation	154,805	73,431	112,307	19,262
Stock-based compensation	24,548	30,974	39,342	24,044
Adjusted EBITDA	\$ 422,683	\$ 188,001	\$ 290,168	\$ 32,973

- (3) As of September 30, 2012, we owned 142 aircraft of which 73 were purchased as new aircraft and 69 were purchased as used aircraft. As of December 31, 2011, we owned 102 aircraft of which 36 were purchased as new aircraft and 66 were purchased as used aircraft. As of December 31, 2010, we owned 40 aircraft of which four were purchased as new aircraft and 36 were purchased as used aircraft.
- (4) As of September 30, 2012 and December 31, 2011, we managed three and two aircraft, respectively. As of December 31, 2010, we did not manage any aircraft.





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**RISK FACTORS**

*You should consider carefully all of the risks described below, as well as the risks incorporated by reference in this prospectus from our Annual Report on Form 10-K for the fiscal year ended December 31, 2011 and our other periodic reports filed with the SEC, along with the other information contained in this prospectus, before making a decision to tender your old notes in the exchange offer. If any of the following events occur, our business, financial condition and operating results may be materially adversely affected. Some statements in this prospectus, including statements in the following risk factors, constitute forward-looking statements. Please refer to the section titled "Forward-Looking Statements."*

As used in this "Risk Factors" section, "we," "our," and "us" refer to Air Lease Corporation only and not to its subsidiaries.

**Risks related to the exchange offer**

*There may be adverse consequences if you do not exchange your old notes for new notes.*

If you do not exchange your old notes for new notes in the exchange offer, you will continue to be subject to restrictions on the transfer of your old notes as set forth in the offering memorandum distributed in connection with the private offering of the old notes. In general, the old notes may not be offered or sold unless they are registered or exempt from registration under the Securities Act and applicable state securities laws. Except as required by the applicable Registration Rights Agreement, we do not intend to register resales of the old notes under the Securities Act. You should refer to "The Exchange Offer" for information about how to tender your old notes. The tender of old notes under the exchange offer will reduce the outstanding amount of the old notes, which may have an adverse effect upon, and increase the volatility of, the market price of the old notes due to a reduction in liquidity.

*Your ability to transfer the new notes may be limited by the absence of an active trading market, and we cannot assure you that an active trading market will develop for the new notes.*

We do not intend to apply for listing of the new notes on a securities exchange or on any automated dealer quotation system. There is currently no established market for the new notes, and we cannot assure you as to the liquidity of markets that may develop for the new notes, your ability to sell the new notes or the price at which you would be able to sell the new notes. If such markets were to exist, the new notes could trade at prices that may be lower than their principal amount or purchase price depending on many factors, including prevailing interest rates, the market for similar notes, our financial and operating performance and other factors. The initial purchasers in the private offerings of the old notes have advised us that they currently intend to make a market with respect to the new notes. However, the initial purchasers are not obligated to do so, and any market making with respect to the new notes may be discontinued at any time without notice. In addition, such market making activity may be limited during the pendency of the exchange offer. Therefore, we cannot assure you that an active market for the new notes will develop or, if developed, that it will continue. Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the new notes. The market, if any, for the new notes may experience similar disruptions and any such disruptions may adversely affect the prices at which you may sell your new notes.

*You must comply with the exchange offer procedures in order to receive the new notes.*

The new notes will be issued in exchange for the old notes only after timely receipt by the exchange agent of the old notes or a book-entry confirmation related thereto, a properly completed and executed letter of transmittal or an agent's message, and all other required documentation. If you want to tender your old notes in exchange for new notes, you should allow sufficient time to ensure

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timely delivery. Neither we nor the exchange agent is under any duty to notify you of any defects or irregularities with respect to the tenders of old notes for exchange. Old notes that are not tendered or are tendered but not accepted will, following the exchange offer, continue to be subject to the existing transfer restrictions.

***Certain persons who participate in the exchange offer must comply with the registration and prospectus delivery requirements of the Securities Act in connection with resales of the new notes.***

Based on the interpretations of the staff of the SEC contained in *Exxon Capital Holdings Corp.*, SEC no-action letter (April 13, 1988), *Morgan Stanley & Co., Inc.*, SEC no-action letter (June 5, 1991), and *Shearman & Sterling*, SEC no-action letter (July 2, 1983), we believe that you may offer for resale, resell, or otherwise transfer the new notes without being obligated to comply with the registration and prospectus delivery requirements of the Securities Act. However, in some instances described in this prospectus under "Plan of Distribution," certain holders of the new notes will remain obligated to comply with the registration and prospectus delivery requirements of the Securities Act to offer for resale, resell, or otherwise transfer the new notes. If such a holder transfers any new notes without delivering a prospectus meeting the requirements of the Securities Act or without an applicable exemption from registration of such a holder's transfer under the Securities Act, such a holder may incur liability under the Securities Act. We do not and will not assume, or indemnify such a holder against, this liability.

### **Risks related to the new notes**

***Our substantial indebtedness could adversely affect our financial condition and prevent us from fulfilling our obligations under the new notes.***

We and our subsidiaries have, and after the exchange offer will continue to have, a significant amount of indebtedness. As of September 30, 2012, our total consolidated indebtedness was approximately \$4.3 billion.

Subject to the limits contained in the agreements governing our other existing and future indebtedness and the indenture governing the new notes, we may be able to incur substantial additional debt from time to time to finance aircraft, working capital, capital expenditures, investments or acquisitions, or for other purposes. If we do so, the risks related to our high level of debt could intensify. Specifically, our high level of debt could have important consequences to the holders of the new notes, including the following:

making it more difficult for us to satisfy our obligations with respect to the new notes and our other debt;

limiting our ability to obtain additional financing to fund the acquisition of aircraft or for other general corporate requirements;

requiring a substantial portion of our cash flows to be dedicated to debt service payments instead of other purposes, thereby reducing the amount of cash flows available for aircraft acquisitions and other general corporate purposes;

increasing our vulnerability to general adverse economic and industry conditions;

exposing us to the risk of increased interest rates as certain of our borrowings, including borrowings under our various credit facilities, are at variable rates of interest;

limiting our flexibility in planning for and reacting to changes in the aircraft industry;

placing us at a disadvantage compared to other competitors; and

increasing our cost of borrowing.



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In addition, the indenture governing the new notes and the agreements governing our existing indebtedness contain restrictive covenants that will limit our ability to engage in activities that may be in our long-term best interest. Our failure to comply with those covenants could result in an event of default which, if not cured or waived, may result in the acceleration of some or all of our debt.

***We may not be able to generate sufficient cash to service all of our indebtedness, including the new notes, and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.***

Our ability to make scheduled payments on or refinance our debt obligations, including the new notes, depends on our financial condition and operating performance, which are subject to prevailing economic and competitive conditions and to financial, business, legislative, regulatory and other factors beyond our control. We may be unable to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal of, premium, if any, or interest on our indebtedness, including the new notes.

As of September 30, 2012, we had \$4.3 billion in outstanding consolidated indebtedness, and we expect this amount to grow as we acquire more aircraft. If our cash flows and capital resources are insufficient to fund our debt service obligations, we could face substantial liquidity problems and could be forced to reduce or delay aircraft purchases or to dispose of material assets or leases, or seek additional debt or equity capital or to restructure or refinance our indebtedness, including the new notes. We may not be able to effect any such alternative measures on commercially reasonable terms or at all and, even if successful, those alternative actions may not allow us to meet our scheduled debt service obligations. Certain agreements governing our existing indebtedness restrict our ability to dispose of assets and use the proceeds from those dispositions. We may not be able to consummate those dispositions or to obtain proceeds in an amount sufficient to meet any debt service obligations then due. See "Management's discussion and analysis of financial condition and results of operations Liquidity and capital resources Debt" in our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2012.

In addition, we conduct substantially all of our operations through our subsidiaries, none of which will be guarantors of the new notes on the date that the new notes are initially issued. Accordingly, repayment of our indebtedness, including the new notes, is dependent on the generation of cash flow by our subsidiaries and their ability to make such cash available to us, by dividend or otherwise. Unless they become guarantors of the new notes or our other indebtedness, our subsidiaries do not have any obligation to pay amounts due on the new notes or our other indebtedness, as the case may be, or to make funds available for that purpose. Our subsidiaries may not be able to, or may not be permitted to, make distributions to us sufficient to enable us to make payments in respect of our indebtedness, including the new notes. Each subsidiary is a distinct legal entity, and legal and contractual restrictions may limit our ability to obtain cash from our subsidiaries. In the event that we do not receive distributions from our subsidiaries, we may be unable to make required principal and interest payments on our indebtedness, including the new notes.

Our inability to generate sufficient cash flows to satisfy our debt obligations, or to refinance our indebtedness on commercially reasonable terms or at all, would materially and adversely affect our financial position and results of operations and our ability to satisfy our obligations under the new notes.

If we cannot make scheduled payments on our indebtedness, we will be in default and holders of our debt securities or our lenders, as applicable, may be able to declare such indebtedness to be due and payable, terminate commitments to lend money, foreclose against the assets, if any, securing such indebtedness, or pursue other remedies, including potentially forcing us into bankruptcy or liquidation. All of these events could result in you losing your entire investment in the new notes.

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***Despite our current level of indebtedness, we and our subsidiaries may still be able to incur substantially more debt, which could further exacerbate the risks to our financial condition described above.***

We and our subsidiaries may be able to incur significant additional indebtedness. Although the indenture governing the new notes and the agreements governing certain of our other indebtedness contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and the additional indebtedness incurred in compliance with these restrictions could be substantial. If we incur any additional indebtedness that ranks equally with the new notes, subject to collateral arrangements, the holders of that debt will be entitled to share ratably with you in any proceeds distributed in connection with any insolvency, liquidation, reorganization, dissolution, or other winding up of our company. This may have the effect of reducing the amount of proceeds paid to you. These restrictions also do not prevent us from incurring obligations that do not constitute indebtedness. If new debt is added to our current debt levels, the related risks that we now face could intensify. See "Management's Discussion and Analysis of Financial Condition and Results of Operations Liquidity and capital resources Debt" in our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2012 and "Description of Notes."

***The terms of the indenture governing the new notes and the agreements governing certain of our other indebtedness restrict our current and future operations.***

The indenture governing the new notes offered hereby and the agreements governing certain of our other indebtedness contain a number of restrictive covenants that impose significant operating and financial restrictions on us and may limit our ability to engage in acts that may be in our long-term best interest, including restrictions on our ability to:

incur additional indebtedness and guarantee indebtedness;

pay dividends on or repurchase certain equity interests or prepay subordinated obligations;

enter into transactions with affiliates;

alter our lines of business; and

consolidate, merge, or sell all or substantially all of our assets.

Certain of these restrictions are subject to suspension at such time as the new notes are rated investment grade by each of S&P and Fitch. In addition, the restrictive covenants in the indenture governing the new notes and the agreements governing certain of our indebtedness require us to maintain specified financial ratios and tests. Our ability to meet those financial ratios and tests can be affected by events beyond our control, and we may be unable to meet them. See "Description of notes Certain covenants" for further information about the covenants applicable to the new notes. Also see "Management's Discussion and Analysis of Financial Condition and Results of Operations Liquidity and capital resources Debt" in our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2012.

A breach of the covenants or restrictions under the indenture governing the new notes or under the agreements governing our other indebtedness could result in an event of default under the applicable indebtedness. Such a default may allow holders of our debt securities or our lenders, as applicable, to accelerate the related indebtedness, which may result in the acceleration of other indebtedness to which a cross-acceleration or cross-default provision applies. In addition, such lenders or debtholders could terminate commitments to lend money, if any. Furthermore, if we were unable to repay the indebtedness then due and payable, secured lenders could proceed against the assets, if any, securing such indebtedness. In the event our lenders or holders of our debt securities accelerate the

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repayment of our borrowings, we may not have sufficient assets to repay that indebtedness. As a result of these restrictions, we may be:

limited in how we conduct and grow our business;

unable to raise additional debt or equity financing to operate during general economic or business downturns; or

unable to compete effectively or to take advantage of new business opportunities.

These restrictions may affect our ability to grow in accordance with our strategy.

***The new notes will be effectively subordinated to our secured indebtedness to the extent of the value of the property securing that indebtedness.***

The new notes will not be secured by any of our or our subsidiaries' assets. As a result, the new notes and the guarantees, if any are given in the future by our subsidiaries, will be effectively subordinated to our and such subsidiary guarantors' indebtedness with respect to the assets that secure such indebtedness. As of September 30, 2012, we had unsecured indebtedness of approximately \$2.5 billion and guarantees of subsidiary indebtedness of approximately \$650.0 million secured by pledges of the equity of such subsidiaries, and our subsidiaries had approximately \$1.8 billion of secured indebtedness outstanding. In addition, we and our subsidiaries may incur additional secured debt in the future. As a result of this effective subordination, upon a default in payment on, or the acceleration of, any of this secured indebtedness, or in the event of bankruptcy, insolvency, liquidation, dissolution or reorganization of our company or a subsidiary, the proceeds from the sale of assets securing our or such subsidiary's secured indebtedness will be available to pay obligations on the new notes and other unsecured obligations only after such secured debt has been paid in full. Consequently, the holders of the new notes may receive less, ratably, than the holders of secured debt in the event of our or our subsidiaries' bankruptcy, insolvency, liquidation, dissolution or reorganization, even if those subsidiaries in the future guarantee the new notes.

***The new notes will be structurally subordinated to all obligations of our existing and future subsidiaries.***

The new notes will not be guaranteed by any of our subsidiaries on the date the new notes are issued. The new notes will be required to be guaranteed by each of our existing and subsequently acquired or organized subsidiaries that guarantee certain of our indebtedness. Except for any future subsidiary guarantors of the new notes, our subsidiaries will have no obligation, contingent or otherwise, to pay amounts due under the new notes or to make any funds available to pay those amounts, whether by dividend, distribution, loan, or other payment. The new notes will be structurally subordinated to all indebtedness and other obligations of any non-guarantor subsidiary such that in the event of bankruptcy, insolvency, liquidation, reorganization, dissolution, or other winding up of any such subsidiary, all of that subsidiary's creditors (including trade creditors) would be entitled to payment in full out of that subsidiary's assets before we would be entitled to any payment.

The indenture governing the new notes permits these subsidiaries to incur additional indebtedness and does not contain any limitation on the amount of other liabilities, such as trade payables, that may be incurred by these subsidiaries.

For the nine months ended September 30, 2012, our subsidiaries represented substantially all of our consolidated revenue. As of September 30, 2012, our subsidiaries held 100% of our aircraft assets and had \$1.8 billion of total indebtedness, all of which would be structurally senior to the new notes.

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In addition, our subsidiaries that provide future note guarantees of the new notes will be automatically released from those note guarantees upon the occurrence of certain events, including the following:

the release or discharge of each guarantee that resulted in the obligation of such subsidiary guarantor to guarantee the new notes; or

the sale or other disposition, including the sale of substantially all the assets, of that subsidiary guarantor.

If any note guarantee of the new notes is released, no holder of the new notes will have a claim as a creditor against that subsidiary, and the indebtedness and other liabilities, including trade payables and preferred stock, if any, whether secured or unsecured, of that subsidiary will be effectively senior to the claim of any holders of the new notes. See "Description of Notes Note guarantees."

***We may not be able to repurchase the new notes upon a change of control.***

Upon the occurrence of specific kinds of change of control events, we will be required to offer to repurchase all outstanding new notes at 101% of their principal amount, plus accrued and unpaid interest to the purchase date. Additionally, under certain of the agreements governing our other indebtedness, a change of control (as defined therein) may constitute an event of default thereunder permitting the lenders to accelerate the maturity of such indebtedness or requiring us to offer to purchase such other indebtedness, often at a premium. The source of funds for any purchase of the new notes and other debt securities and repayment of accelerated indebtedness would be our available cash or cash generated from our subsidiaries' operations or other sources, including borrowings, sales of assets, or sales of equity. We may not be able to repurchase the new notes upon a change of control because we may not have sufficient financial resources to purchase all of the debt securities that are tendered upon a change of control and to repay our other indebtedness that will become due. If we fail to repurchase the new notes in that circumstance, we will be in default under the indenture governing the new notes. In addition, our ability to repurchase the new notes also may be limited by law. In order to avoid the obligations to repurchase the new notes and resulting events of default and potential breaches of our various credit facilities, we may have to avoid certain change of control transactions that would otherwise be beneficial to us.

In addition, certain important corporate events, such as leveraged recapitalizations, may not, under the indenture governing the new notes, constitute a "change of control" that would require us to repurchase the new notes, even though those corporate events could increase the level of our indebtedness or otherwise adversely affect our capital structure, credit ratings or the value of the new notes. See "Description of Notes Repurchase at the option of holders Change of control."

The exercise by the holders of the new notes of their right to require us to repurchase the new notes pursuant to a change of control offer could cause a default under the agreements governing our other indebtedness, including future agreements, even if the change of control itself does not cause such a default, due to the financial effect such repurchases could have on us. In the event a change of control offer is required to be made at a time when we are prohibited from purchasing the new notes, we could attempt to refinance the borrowings that contain such prohibitions. If we do not obtain a consent or repay those borrowings, we will remain prohibited from purchasing the new notes. In that case, our failure to purchase tendered new notes would constitute an event of default under the indenture which may, in turn, constitute a default under some or all of our other indebtedness. Finally, our ability to pay cash to the holders of the new notes upon a repurchase may be limited by our then existing financial resources.



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***Holders of the new notes may not be able to determine when a change of control giving rise to their right to have the new notes repurchased has occurred following a sale of "substantially all" of our assets.***

One of the circumstances under which a change of control may occur is upon the sale, lease or other transfer of "all or substantially all" of our consolidated assets. There is no precise, established definition of the phrase "substantially all" under applicable law and the interpretation of that phrase will likely depend upon particular facts and circumstances. Accordingly, the ability of a holder of the new notes to determine that such holder may require us to repurchase its new notes as a result of a sale of all or substantially all of our consolidated assets to another person may be uncertain.

***Federal and state fraudulent transfer laws may permit a court to void the new notes and/or the note guarantees, if any; and if that occurs, you may not receive any payments on the new notes.***

Federal and state fraudulent transfer and conveyance statutes may apply to the issuance of the new notes and the incurrence of the note guarantees, if any. Under federal bankruptcy law and comparable provisions of state fraudulent transfer or conveyance laws, which may vary from state to state, the new notes or the guarantees thereof could be voided as a fraudulent transfer or conveyance if we or any of the subsidiary guarantors, as applicable, (a) issued the new notes or incurred the note guarantees with the intent of hindering, delaying, or defrauding creditors, or (b) received less than reasonably equivalent value or fair consideration in return for issuing the new notes or incurring the note guarantees, and, in the case of (b) only, one of the following is also true at the time thereof:

we or any of the subsidiary guarantors, as applicable, were insolvent or rendered insolvent by reason of the issuance of the new notes or the incurrence of the note guarantees;

the issuance of the new notes or the incurrence of the note guarantees left us or any of the subsidiary guarantors, as applicable, with an unreasonably small amount of capital or assets to carry on the business; or

we or any of the subsidiary guarantors, as applicable, intended to, or believed that we or such subsidiary guarantor would, incur debts beyond our or such subsidiary guarantor's ability to pay as they mature.

As a general matter, value is given for a transfer or an obligation if, in exchange for the transfer or obligation, property is transferred or a valid antecedent debt is secured or satisfied. A court would likely find that a subsidiary guarantor did not receive reasonably equivalent value or fair consideration for its note guarantee to the extent the subsidiary guarantor did not obtain a reasonably equivalent benefit directly or indirectly from the issuance of the new notes.

We cannot be certain as to the standards a court would use to determine whether or not we or a subsidiary guarantor were insolvent at the relevant time or, regardless of the standard that a court uses, whether the new notes or the note guarantees, if any, would be subordinated to our or any of our subsidiary guarantors' other debt. In general, however, a court would deem an entity insolvent if:

the sum of its debts, including contingent and unliquidated liabilities, was greater than the fair saleable value of all of its assets;

the present fair saleable value of its assets was less than the amount that would be required to pay its probable liabilities on its existing debts, including contingent liabilities, as they become absolute and mature; or

it could not pay its debts as they became due.

If a court were to find that the issuance of the new notes or the incurrence of a note guarantee was a fraudulent transfer or conveyance, the court could void the payment obligations under the new notes or that note guarantee, could subordinate the new notes or that note guarantee to presently

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existing and future indebtedness of ours or of the related subsidiary guarantor, or could require the holders of the new notes to repay any amounts received with respect to that note guarantee. In the event of a finding that a fraudulent transfer or conveyance occurred, you may not receive any repayment on the new notes. Further, the avoidance of the new notes could result in an event of default with respect to our and our subsidiaries' other debt that could result in acceleration of that debt.

Finally, as a court of equity, the bankruptcy court may subordinate the claims in respect of the new notes to other claims against us under the principle of equitable subordination if the court determines that (1) the holder of the new notes engaged in some type of inequitable conduct, (2) the inequitable conduct resulted in injury to our other creditors or conferred an unfair advantage upon the holders of the new notes and (3) equitable subordination is not inconsistent with the provisions of the bankruptcy code.

***A lower than expected rating of our debt or lowering or withdrawal of such rating by rating agencies may increase our future borrowing costs and reduce our access to capital.***

Our debt currently is not rated, and any future rating assigned to our debt may be lower than expected and could be lowered or withdrawn entirely by a rating agency if, in that rating agency's judgment, future circumstances relating to the basis of the rating, such as adverse changes, so warrant. Consequently, real or anticipated changes in our credit ratings will generally affect the market value of the new notes. Credit ratings are not recommendations to purchase, hold or sell the new notes. Additionally, credit ratings may not reflect the potential effect of risks relating to the structure or marketing of the new notes.

Any unexpected rating or future lowering of our ratings likely would make it more difficult or more expensive for us to obtain additional debt financing. If any credit rating assigned to the new notes is lower than expected or subsequently lowered or withdrawn for any reason, you may experience a significant diminution in the value of your new notes.

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**USE OF PROCEEDS**

The exchange offer is intended to satisfy our obligations under the Registration Rights Agreements. We will not receive any cash proceeds from the issuance of the new notes in the exchange offer. In consideration for issuing the new notes as contemplated by this prospectus, we will receive old notes in a like principal amount. Any old notes that are properly tendered and exchanged pursuant to the exchange offer will be retired and cancelled. Accordingly, the issuance of the new notes will not result in any change in outstanding indebtedness.

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The following table sets forth our unaudited cash and cash equivalents and capitalization as of September 30, 2012. You should read the information set forth below in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and related notes incorporated by reference in this prospectus from our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2012.

<b>(in thousands, except share amounts)</b>	<b>As of September 30, 2012</b>
Cash and cash equivalents	\$ 439,681
Restricted cash	111,784
<b>Existing debt financing(1)</b>	<b>4,296,076</b>
Debt financing	4,296,076
<b>Shareholders' equity</b>	
Preferred Stock, \$0.01 par value; 50,000,000 shares authorized, no shares issued or outstanding, actual and as adjusted	
Class A Common Stock, \$0.01 par value; 500,000,000 shares authorized, 99,417,998 shares issued and outstanding	991
Class B Non-Voting Common Stock, \$0.01 par value; 10,000,000 shares authorized, 1,829,339 shares issued and outstanding	18
Paid-in capital	2,191,361
Retained earnings	93,302
<b>Total shareholders' equity</b>	<b>2,285,672</b>
<b>Total capitalization</b>	<b>6,581,748</b>

(1) Existing debt financing does not include \$50,000,000 aggregate principal amount of old notes that were issued on October 3, 2012.

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The following table sets forth selected financial data for Air Lease Corporation and subsidiaries. The historical results presented are not necessarily indicative of future results. You should read this information in conjunction with the financial statements and related notes incorporated by reference in this prospectus.

(in thousands)	Nine months ended September 30,		Year ended December 31, 2011	For the period from inception to December 31, 2010
	2012 (unaudited)	2011 (unaudited)		
<b>Operating data:</b>				
Rentals of flight equipment	\$ 459,643	\$ 219,092	\$ 332,719	\$ 57,075
Interest and other	6,008	2,592	4,022	1,291
Total revenues	465,651	221,684	336,741	58,366
Expenses	322,964	177,530	253,900	119,281
Income (loss) before taxes	142,687	44,154	82,841	(60,915)
Income tax (expense) benefit	(50,577)	(15,684)	(29,609)	8,875
Net income (loss)	\$ 92,110	\$ 28,470	\$ 53,232	\$ (52,040)
<b>Other financial data (unaudited):</b>				
Adjusted net income(1)	\$ 115,415	\$ 56,294	\$ 87,954	\$ 2,520
Adjusted EBITDA(2)	\$ 422,683	\$ 188,001	\$ 290,168	\$ 32,973
<b>Cash flow data:</b>				
Net cash flows from:				
Operating activities	\$ 372,496	\$ 166,197	\$ 267,166	\$ 41,934
Investing activities	(1,908,688)	(2,052,008)	(2,977,156)	(1,851,520)
Financing activities	1,694,068	1,836,637	2,662,974	2,138,407

(in thousands, except aircraft data)	As of September 30, 2012 (unaudited)	As of December 31, 2011	As of December 31, 2010
<b>Balance sheet data:</b>			
Flight equipment subject to operating leases (net of accumulated depreciation)	\$ 5,872,388	\$ 4,237,416	\$ 1,629,809
Total assets	7,165,478	5,164,593	2,276,282
Total debt	4,296,076	2,602,799	911,981
Total liabilities	4,879,806	2,988,310	1,051,347
Shareholders' equity	2,285,672	2,176,283	1,224,935
<b>Other operating data:</b>			
Aircraft lease portfolio at period end:			
Owned(3)	142	102	40
Managed(4)	3	2	

(1) Adjusted net income is a measure of financial and operational performance this is not defined by GAAP. See note 1 in the "Summary Summary historical consolidated information" in this prospectus for a discussion of adjusted net income as a non-GAAP measure and a reconciliation of this measure to net income (loss) and cash flow from operations.

(2)

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Adjusted EBITDA is a measure of financial and operational performance this is not defined by GAAP. See note 2 in the "Summary Summary historical consolidated information" in this prospectus for a discussion of adjusted EBIDTA as a non-GAAP measure and a reconciliation of this measure to net income (loss) and cash flow from operations.

- (3) As of September 30, 2012, we owned 142 aircraft of which 73 were purchased as new aircraft and 69 were purchased as used aircraft. As of December 31, 2011, we owned 102 aircraft of which 36 were purchased as new aircraft and 66 were purchased as used aircraft. As of December 31, 2010, we owned 40 aircraft of which four were purchased as new aircraft and 36 were purchased as used aircraft.
- (4) As of September 30, 2012 and December 31, 2011, we managed three and two aircraft, respectively. As of December 31, 2010, we did not manage any aircraft.

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**THE EXCHANGE OFFER**

**Purpose of the exchange offer**

We issued \$450.0 million aggregate principal amount of old notes and \$50.0 million aggregate principal amount of old notes on September 26, 2012 and October 3, 2012, respectively, in transactions exempt from the registration requirements of the Securities Act. Accordingly, the old notes may not be reoffered, resold or otherwise transferred unless so registered or unless an applicable exemption from the registration and prospectus delivery requirements of the Securities Act is applicable.

In connection with the sales of the old notes, we entered into Registration Rights Agreements. The Registration Rights Agreements require us to:

use our commercially reasonable efforts to file a registration statement with the SEC providing for the exchange offer and to complete the exchange offer on or prior to June 23, 2013, to avoid certain registration default obligations under the Registration Rights Agreements;

use our commercially reasonable efforts to cause the registration statement to remain effective until 180 days after the last date of acceptance for exchange of the old notes; and

use our commercially reasonable efforts to complete the exchange offer no later than 45 days after the date the registration statement is declared effective.

We are making the exchange offer to satisfy our obligations under the Registration Rights Agreements.

**Terms of the exchange offer**

We are offering to exchange, subject to the terms and conditions described in this prospectus and in the letter of transmittal accompanying this prospectus, \$500.0 million aggregate principal amount of new notes registered under the Securities Act for the same principal amount of old notes. The terms of the new notes will be substantially identical in all material respects to the terms of the old notes, except that:

the new notes will have been registered under the Securities Act, will not contain transfer restrictions and will not bear legends restricting their transfer;

the new notes will not be entitled to registration rights under the Registration Rights Agreements; and

the new notes will not contain terms providing for the payment of additional interest due to default in the performance of certain of our obligations under the Registration Rights Agreements.

For additional information, see "Description of Notes."

**Expiration date; extensions and amendments**

The exchange offer expires at 5:00 p.m., New York City time, on \_\_\_\_\_, 2013, unless we, in our sole discretion, decide to extend the exchange offer. The date, as it may be extended, is referred to herein as the "expiration date." We do not currently intend to extend the expiration date. The expiration date will be at least 20 business days after the commencement of the exchange offer. We expressly reserve the right, at any time or from time to time, to extend the period of time for which the exchange offer is open, and thereby delay acceptance for exchange of any old notes. We will extend the expiration date, if at all, by giving oral or written notice of the extension to the exchange agent and by a public announcement no later than 9:00 a.m., New York City time, on the next business day after the





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previously scheduled expiration date. During any extension, all old notes previously tendered will remain subject to the exchange offer unless properly withdrawn.

We expressly reserve the right to:

terminate or amend the exchange offer and not accept for exchange any old notes not previously accepted for exchange upon the occurrence of any of the events specified in this section under the heading "The exchange offer Conditions to the exchange offer"; and

amend the terms of the exchange offer in any manner, whether before or after any tender of the old notes.

If any termination or amendment occurs, we will notify the exchange agent in writing and will either issue a press release or give oral or written notice to the holders of the old notes as promptly as practicable.

For purposes of the exchange offer, a "business day" means any day other than Saturday, Sunday or a date on which commercial banks in New York City are authorized or required by law to remain closed.

Unless we terminate the exchange offer prior to 5:00 p.m., New York City time, on the expiration date, we will exchange the old notes for new notes as soon as reasonably practicable following the expiration date.

**How to tender old notes for exchange**

Only a record holder of the old notes may tender in the exchange offer. When the holder of the old notes tenders and we accept old notes for exchange, a binding agreement between us and the tendering holder is created, subject to the terms and conditions in this prospectus and the accompanying letter of transmittal. Except as set forth below, a holder of the old notes who desires to tender old notes for exchange must, at or prior to 5:00 p.m., New York City time, on the expiration date:

transmit a properly completed and duly executed letter of transmittal, together with the old notes being tendered and all other documents required by such letter of transmittal, to the exchange agent at the address set forth below under the heading "The Exchange Offer The exchange agent";

if the old notes are tendered pursuant to the book-entry procedures set forth below, an "agent's message," as defined below, must be transmitted by The Depository Trust Company ("DTC") to the exchange agent at the address set forth below under the heading "The exchange offer The exchange agent," and the exchange agent must receive, at or prior to 5:00 p.m., New York City time, on the expiration date, a confirmation of the book-entry transfer of the old notes being tendered into the exchange agent's account at DTC, along with the agent's message; or

if time will not permit the required documentation to reach the exchange agent before 5:00 p.m., New York City time, on the expiration date, or the procedures for book-entry transfer cannot be completed by 5:00 p.m., New York City time, on the expiration date, the holder may effect a tender by complying with the guaranteed delivery procedures described below under the heading "The exchange offer Guaranteed delivery procedures."

The term "agent's message" means a message that:

is transmitted by DTC;

is received by the exchange agent and forms a part of a book-entry transfer;

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states that DTC has received an express acknowledgement that the tendering holder has received and agrees to be bound by, and makes each of the representations and warranties contained in, the letter of transmittal; and

states that we may enforce the letter of transmittal against such holder.

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By transmitting an agent's message, you will not be required to deliver a letter of transmittal to the exchange agent. However, you will be bound by the terms of the letter of transmittal just as if you had signed it.

The method of delivery of the old notes, the letter of transmittal or the agent's message and all other required documents transmitted to the exchange agent is at the election and sole risk of the holder. If such delivery is by mail, we recommend registered mail, properly insured, with return receipt requested. In all cases, you should allow sufficient time to assure timely delivery. No letters of transmittal or old notes should be sent directly to us.

Signatures on a letter of transmittal must be guaranteed unless the old notes surrendered for exchange are tendered:

by a holder of the old notes who has not completed the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on the letter of transmittal; or

for the account of an eligible institution. The term "eligible institution" means an institution that is a member in good standing of a Medallion Signature Guarantee Program recognized by the exchange agent, for example the Securities Transfer Agents Medallion Program, the Stock Exchanges Medallion Program or the New York Stock Exchange Medallion Signature Program. An eligible institution includes firms that are members of a registered national securities exchange, members of the National Association of Securities Dealers, Inc., commercial banks or trust companies having an office in the United States or certain other eligible guarantors.

If signatures on a letter of transmittal or notice of withdrawal are required to be guaranteed, the guarantor must be an eligible institution. If old notes are registered in the name of a person other than the person who signed the letter of transmittal, the old notes tendered for exchange must be endorsed by, or accompanied by a written instrument or instruments of transfer or exchange, in satisfactory form as determined by us in our sole discretion, duly executed by the registered holder with the registered holder's signature guaranteed by an eligible institution.

We will determine in our sole discretion all questions as to the validity, form and eligibility (including time of receipt) of old notes tendered for exchange and all other required documents. We reserve the absolute right to:

reject any and all tenders of any old note not validly tendered;

refuse to accept any old note if, in our judgment or the judgment of our counsel, acceptance of the old note may be deemed unlawful;

waive any defects, irregularities or conditions of the exchange offer; and

determine the eligibility of any holder who seeks to tender old notes in the exchange offer.

Our determinations under, and of the terms and conditions of, the exchange offer, including the letter of transmittal and the instructions to it, or as to any questions with respect to the tender of any old notes, will be final and binding on all parties. To the extent we waive any conditions to the exchange offer, we will waive such conditions as to all old notes. Holders must cure any defects and irregularities in connection with tenders of old notes for exchange within such reasonable period of time as we will determine, unless we waive such defects or irregularities. Neither we, the exchange agent nor any other person will be under any duty to give notification of any defect or irregularity with respect to any tender of old notes for exchange, nor will any of us incur any liability for failure to give such notification.

If you beneficially own old notes registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your old notes in the exchange offer, you should contact the registered holder promptly and instruct it to tender on your behalf.

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WE MAKE NO RECOMMENDATION TO THE HOLDERS OF THE OLD NOTES AS TO WHETHER TO TENDER OR REFRAIN FROM TENDERING ALL OR ANY PORTION OF THEIR OLD NOTES IN THE EXCHANGE OFFER. IN ADDITION, WE HAVE NOT AUTHORIZED ANYONE TO MAKE ANY SUCH RECOMMENDATION. HOLDERS OF THE OLD NOTES MUST MAKE THEIR OWN DECISION AS TO WHETHER TO TENDER PURSUANT TO THE EXCHANGE OFFER AND, IF SO, THE AGGREGATE AMOUNT OF OLD NOTES TO TENDER, AFTER READING THIS PROSPECTUS AND THE LETTER OF TRANSMITTAL AND CONSULTING WITH THEIR ADVISORS, IF ANY, BASED ON THEIR FINANCIAL POSITIONS AND REQUIREMENTS.

**Book-entry transfers**

Any financial institution that is a participant in DTC's system must make book-entry delivery of old notes by causing DTC to transfer the old notes into the exchange agent's account at DTC in accordance with DTC's Automated Tender Offer Program. Such participant should transmit its acceptance to DTC at or prior to 5:00 p.m., New York City time, on the expiration date, or comply with the guaranteed delivery procedures described below. DTC will verify such acceptance, execute a book-entry transfer of the tendered old notes into the exchange agent's account at DTC and then send to the exchange agent confirmation of such book-entry transfer. The confirmation of such book-entry transfer will include an agent's message. The letter of transmittal or facsimile thereof or an agent's message, with any required signature guarantees and any other required documents, must be transmitted to and received by the exchange agent at the address set forth below under "The exchange agent" at or prior to 5:00 p.m., New York City time, on the expiration date of the exchange offer, or the holder must comply with the guaranteed delivery procedures described below.

**Guaranteed delivery procedures**

If a holder of the old notes desires to tender such old notes and the holder's old notes are not immediately available, or time will not permit such holder's old notes or other required documents to reach the exchange agent before 5:00 p.m., New York City time, on the expiration date, or the procedure for book-entry transfer cannot be completed on a timely basis, a tender may be effected if:

at or prior to 5:00 p.m., New York City time, on the expiration date, the exchange agent receives from an eligible institution a validly completed and executed notice of guaranteed delivery, substantially in the form accompanying this prospectus, by facsimile transmission, mail or hand delivery, setting forth the name and address of the holder of the old notes being tendered and the amount of the old notes being tendered. The notice of guaranteed delivery will state that the tender is being made and guarantee that within three New York Stock Exchange trading days after the date of execution of the notice of guaranteed delivery, the certificates for all physically tendered old notes, in proper form for transfer, or a book-entry confirmation, as the case may be, together with a validly completed and executed letter of transmittal with any required signature guarantees or an agent's message and any other documents required by the letter of transmittal, will be transmitted to the exchange agent; and

the exchange agent receives the certificates for all physically tendered old notes, in proper form for transfer, or a book-entry confirmation, as the case may be, together with a validly completed and executed letter of transmittal with any required signature guarantees or an agent's message and any other documents required by the letter of transmittal, within three New York Stock Exchange trading days after the date of execution of the notice of guaranteed delivery.

The notice of guaranteed delivery must be received prior to 5:00 p.m., New York City time, on the expiration date.

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**Withdrawal rights**

Tenders of old notes may be withdrawn at any time before 5:00 p.m., New York City time, on the expiration date.

For a withdrawal to be effective, a written notice of withdrawal, by telegram, facsimile or mail, must be received by the exchange agent, at the address set forth below under " The exchange agent," not later than 5:00 p.m., New York City time, on the expiration date. Any such notice of withdrawal must either:

specify the name of the tendering holder of the old notes to be withdrawn, identify the old notes to be withdrawn, including the principal amount of such old notes, and include a statement that such holder is withdrawing its election to have such old notes exchanged; or

comply with the applicable procedures of DTC's Automated Tender Offer Program.

We will determine all questions as to the validity, form and eligibility (including time of receipt) of such notices, and our determination will be final and binding on all parties. Any tendered old notes properly withdrawn will be deemed not to have been validly tendered for exchange for purposes of the exchange offer. Properly withdrawn notes may be re-tendered by following one of the procedures described under " How to tender old notes for exchange" above, at or prior to 5:00 p.m., New York City time, on the expiration date.

**Acceptance of old notes; delivery of new notes**

Upon satisfaction of all of the conditions to the exchange offer, we will accept any and all old notes that are validly tendered in the exchange offer and not properly withdrawn prior to 5:00 p.m., New York City time, on the expiration date. See the discussion below under " Conditions to the exchange offer" for more detailed information. The new notes issued pursuant to the exchange offer will be delivered as soon as reasonably practicable following the expiration date. For purposes of the exchange offer, we will be deemed to have accepted properly tendered old notes for exchange when, and if, we have given oral or written notice of our acceptance to the exchange agent.

For each old note accepted for exchange, the holder of the old note will receive a new note having a principal amount equal to that of the surrendered old note.

In all cases, issuance of new notes for old notes that are accepted for exchange pursuant to the exchange offer will be made only after the exchange agent's timely receipt of:

certificates for such old notes or a timely book-entry confirmation of the transfer of the old notes into the exchange agent's account at DTC;

a properly completed and duly executed letter of transmittal, or a properly transmitted agent's message; and

timely receipt by the exchange agent of all other required documents.

By tendering old notes pursuant to the exchange offer, you will represent to us that, among other things:

you are not an affiliate (within the meaning of Rule 405 of the Securities Act) of ours;

the new notes you receive pursuant to the exchange offer are being acquired in the ordinary course of your business; and

you have no arrangement or understanding with any person to participate in the distribution (within the meaning of the Securities Act) of the new notes issued to you in the exchange offer.



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In addition, each broker-dealer that is to receive new notes for its own account in exchange for old notes must represent that such old notes were acquired as a result of market-making or other trading activities and must acknowledge that it will deliver a prospectus (or, to the extent permitted by law, make available a prospectus to purchasers) in connection with any resale of the new notes.

If any tendered old notes are not accepted for any reason described in the terms and conditions of the exchange offer or if old notes are submitted for a greater principal amount than the holder desires to exchange, the unaccepted or non-exchanged old notes will be returned to the tendering holder of the old notes. In the case of old notes tendered by book-entry transfer into the exchange agent's account at DTC pursuant to the book-entry transfer procedures described above, the non-exchanged old notes will be credited to an account maintained with DTC. In either case, the old notes will be returned as soon as reasonably practicable after the expiration of the exchange offer.

### **Resale of the new notes**

We have not requested, and do not intend to request, an interpretation by the staff of the SEC as to whether the new notes issued in the exchange offer may be offered for resale, resold or otherwise transferred by any holder without compliance with the registration and prospectus delivery requirements of the Securities Act. However, based on interpretations of the staff of the SEC, as set forth in a series of no-action letters issued to third parties, we believe that the new notes may be offered for resale, resold or otherwise transferred by holders of such new notes without compliance with the registration and prospectus delivery requirements of the Securities Act, provided that:

the holder is not an affiliate (within the meaning of Rule 405 under the Securities Act) of ours;

the new notes issued in the exchange offer are acquired in the ordinary course of the holder's business;

neither the holder nor, to the actual knowledge of such holder, any other person receiving new notes from such holder, has any arrangement or understanding with any person to participate in the distribution of the new notes issued in the exchange offer;

if the holder is not a broker-dealer, such holder is not engaged in, and does not intend to engage in, a distribution of the new notes; and

if the holder is a broker-dealer, such broker-dealer will receive the new notes for its own account in exchange for old notes and:

such old notes were acquired by such broker-dealer as a result of market-making or other trading activities; and

such broker-dealer will deliver a prospectus meeting the requirements of the Securities Act in connection with the resale of new notes issued in the exchange offer and will comply with the applicable provisions of the Securities Act with respect to the resale of any new notes. (In no-action letters issued to third parties, the SEC has taken the position that broker-dealers may fulfill their prospectus delivery requirements with respect to new notes, other than a resale of an unsold allotment from the original sale of old notes, by delivery of the prospectus relating to the exchange offer.) See "Plan of Distribution" for a discussion of the exchange and resale obligations of broker-dealers in connection with the exchange offer.

Because the SEC has not considered the exchange offer for our old notes in the context of a no-action letter, we cannot guarantee that the SEC staff would make similar determinations with respect to this exchange offer. If our belief is not accurate and you transfer a new note without delivering a prospectus meeting the requirements of the federal securities laws or without an exemption from these laws, you may incur liability under the federal securities laws. We do not and will not assume or indemnify you against this liability.

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Any holder that is an affiliate of ours or that tenders old notes in the exchange offer for the purpose of participating in a distribution:

may not rely on the applicable interpretation of the SEC staff's position contained in *Exxon Capital Holdings Corp.*, SEC No-Action Letter (April 13, 1988), *Morgan, Stanley & Co., Inc.*, SEC No-Action Letter (June 5, 1991) or *Shearman & Sterling*, SEC No-Action Letter (July 2, 1993); and

must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction.

The new notes issued in the exchange offer may not be reoffered or sold in any state unless they have been registered or qualified for sale in such state or an exemption from registration or qualification is available and complied with by the holders selling the new notes.

### **Conditions to the exchange offer**

The exchange offer is not conditioned upon the tender of any minimum principal amount of old notes. Notwithstanding any other provision of the exchange offer or any extension of the exchange offer, we will not be required to accept for exchange, or to issue new notes in exchange for, any old notes and may terminate or amend the exchange offer by notice to the exchange agent in writing and a press release or oral or written notice to the holders of the old notes as promptly as practicable, if at any time before the expiration of the exchange offer, any of the following conditions exist:

in our reasonable judgment, the exchange offer violates any applicable law or applicable SEC staff interpretations; or

an action or proceeding shall have been instituted in any court or by any governmental agency prohibiting us or any guarantor from proceeding with the exchange offer.

The conditions described above are for our sole benefit and may be asserted by us regardless of the circumstances giving rise to the condition. Our failure at any time to exercise any of the rights above will not be deemed a waiver of the right and each right will be deemed an ongoing right that we may assert at any time and from time to time. Any determination by us concerning the events described above will be final and binding upon all parties.

### **Minimum tender denominations and fractions**

The old notes must be tendered in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

### **Accounting treatment**

For accounting purposes, the new notes will be recorded at the same carrying value as the old notes. Accordingly, we will not recognize a gain or loss for accounting purposes upon issuance of the new notes for the old notes.

### **Fees and expenses**

The Registration Rights Agreements provide that we will bear all expenses in connection with the performance of our obligations relating to the registration of the new notes and the conduct of the exchange offer. These expenses include registration and filing fees, accounting and legal fees, and expenses related to the printing and distribution of the prospectus, among others. We will pay the exchange agent reasonable and customary fees for its services and will reimburse it for its reasonable out-of-pocket expenses in connection therewith.



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We have not retained any dealer-manager in connection with the exchange offer and will not make any payments to brokers, dealers or others soliciting acceptances of the exchange offer.

**Transfer taxes**

Holders who tender their old notes for exchange will not be obligated to pay any transfer taxes in connection with the exchange. If, however, new notes issued in the exchange offer are to be delivered to, or are to be issued in the name of, any person other than the holder of the old notes tendered, or if a transfer tax is imposed for any reason other than the exchange of old notes in connection with the exchange offer, then the holder must pay the transfer taxes, whether imposed on the registered holder or on any other person. If satisfactory evidence of payment of or exemption from these transfer taxes is not submitted with the letter of transmittal, the amount of these transfer taxes will be billed directly to the tendering holder.

**The exchange agent**

The exchange agent for the exchange offer is Deutsche Bank Trust Company Americas. You should direct all executed letters of transmittal and all questions and requests for assistance, requests for additional copies of this prospectus or of the letter of transmittal and requests for notices of guaranteed delivery to the exchange agent addressed as follows:

DB Services Americas, Inc.  
US CTAS Operations  
5022 Gate Parkway, Suite 200  
Jacksonville, FL 32256  
Email: db.reorg@db.com

If you deliver the letter of transmittal to an address other than the one set forth above or transmit instructions via facsimile to a number other than the one set forth above, that delivery or those instructions will not be effective.

**Consequences of failure to exchange old notes**

The old notes have not been registered under the Securities Act or any state securities law and therefore may not be reoffered, resold or otherwise transferred except in compliance with the registration requirements of the Securities Act and any other applicable securities laws or pursuant to an exemption from those requirements. The transfer of the old notes is also subject to other conditions and restrictions set forth in the indenture governing such notes. If you do not exchange your old notes for new notes to be issued in the exchange offer by properly tendering them, your old notes will continue to be subject to such restrictions and the restrictions on transfer described in the legend on your old notes. In general, you may only offer or sell the old notes if they are registered under the Securities Act and applicable state securities laws, or offered and sold under an exemption from these requirements. As we do not intend to register the old notes under the Securities Act, if the exchange offer is completed, holders of the old notes that have not been exchanged who seek liquidity in their investment would have to rely on exemptions from the registration requirements under the securities laws, including the Securities Act. Consequently, holders of the old notes who do not participate in the exchange offer could experience a significant diminution in the value of their old notes compared to the value of the new notes.

If any old notes are tendered and accepted by us in the exchange offer, there may be no trading market for the old notes that remain outstanding, and the ability of a holder of such old notes to sell the old notes could be adversely affected. To the extent that old notes are tendered and accepted by us in the exchange offer, the principal amount of outstanding old notes will decrease, which will likely adversely affect the liquidity of any trading market for the old notes that may exist.

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The Registration Rights Agreements provide, in general and among other things, that if we do not consummate the exchange offer by a specified date, additional interest will be payable on the old notes until the exchange offer is consummated. Following completion of the exchange offer, the old notes will not be entitled to any additional interest, registration rights or other rights under the Registration Rights Agreements and will continue to bear interest at the per annum rate originally applicable to such old notes.

Participation in the exchange offer is voluntary, and holders of the old notes should carefully consider whether to participate. Holders of the old notes are urged to consult their financial and tax advisors in making their own decision on what action to take.

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**DESCRIPTION OF NOTES**

The Company issued the old notes and will issue the new notes (collectively, and together with all other notes authenticated and delivered under the Indenture referred to below, including Additional Notes and Exchange Notes, the "Notes") under the Indenture, dated as of September 26, 2012 (the "Base Indenture"), as supplemented by the First Supplemental Indenture, dated as of October 3, 2012 (the "First Supplemental Indenture"; the Base Indenture, as supplemented by the First Supplemental Indenture, is hereinafter referred to as the "Indenture") between itself and Deutsche Bank Trust Company Americas, as trustee (the "Trustee"). The terms of the Notes include those expressly set forth in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"). The Indenture is unlimited in aggregate principal amount, although the Company will issue up to \$500.0 million in aggregate principal amount of new notes in this offering, depending on the principal amount of old notes exchanged for new notes in the exchange offer. We may issue an unlimited principal amount of additional Notes having identical terms and conditions as the Notes other than the issue date, the issue price and the first interest payment date (the "Additional Notes"). We will only be permitted to issue such Additional Notes if, at the time of such issuance, we are in compliance with the covenants contained in the Indenture. Any Additional Notes will be part of the same issue as the Notes and will vote on all matters with the Notes.

This "Description of Notes" is intended to be a useful overview of the material provisions of the Notes and the Indenture. Since this "Description of Notes" is only a summary, it does not contain all of the details found in the full text of, and is qualified in its entirety by the provisions of, the Notes and the Indenture. You should refer to the Indenture for a complete description of the obligations of the Company, the Guarantors (if any) and your rights. A copy of the Base Indenture has been filed with the SEC as Exhibit 4.1 to the Company's Current Report on Form 8-K filed on September 26, 2012 and is incorporated by reference as an exhibit to the registration statement of which this prospectus is a part. A copy of the First Supplemental Indenture has been filed with the SEC as Exhibit 4.2 to the Company's Current Report on Form 8-K filed on October 3, 2012 and is incorporated by reference as an exhibit to the registration statement of which this prospectu