

Shenzhen Airlines | ECA guaranteed loan | 05-13 | 4xA320

The first export credit agency (ECA) on-lending aircraft transaction in over a decade has closed on Thursday 30 May 2013.

The transaction will finance four A320-200s for Shenzhen Airlines. The fronting ECA is Coface, while the on-lender is Export Import Bank of China (Chexim). BTMU is acting as ECA lender.

The ECA on-lending transaction was closed in compliance with the 2011 Aircraft Sector Understanding (2011 ASU), the rules that govern export credit support for aviation. The deal marks the first time a financing of this type has been done by European ECAs or US Ex-Im since early 2001.

Under ECA on-lending a fronting ECA offers a guarantee to an ECA lender. This ECA lender advances a loan to a local bank. The local bank on-lends the loan to an airline, which then purchases an aircraft directly from the manufacturer.

Transaction Overview

Structure

Product category: Financing
Product type: Loan
Structure Aircraft secured financing
Use of proceeds Aircraft Purchase

Transaction Categories

Regions:
[China](#) | [China](#) |
Tagged as:
[Secured](#) | [BRICS](#) |

Transaction Roles

Borrower/Issuer

Company Name	Role	Client
Shenzhen Airlines	Borrower/Issuer	

Banks

Company Name	Role	Client
Export-Import Bank of China	Debt Arranger	
Export-Import Bank of China	Overall Arranger	

Lawyers

Company Name	Role	Client
White & Case	Export Credit Agency	
Allen & Overy	Export Credit Agency	
William KK Ho	Borrower	

Credit Agency

Company Name	Role	Client
Coface	ECA Fronting Bank	
Bank of Tokyo Mitsubishi	ECA Lender	
Export-Import Bank of China	ECA Guarantor	

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Transaction Timeline

15/05/2013	Financial close	Financial close Exclusive: First ECA on-lending aircraft deal closes
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MSN	Quantity	Model	BodyType	Manufacturer
MSN 1234 4	A320	Narrowbody	Airbus	

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