



Advisory Circular

CAA-AC-OPS029

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AIRCRAFT WET LEASE ARRANGEMENTS

1.0 PURPOSE

This Advisory Circular (AC) provides guidance on the requirements for wet lease operations by a certificated air operator. This AC is specific to wet lease operations and complements AC-OPS 028 which deals generally with all lease and interchange arrangements.

2.0 REFERENCE

Regulation on Wet-leasing of aircraft of the Civil Aviation (Air Operator Certification and Administration) Regulations

3.0 GENERAL

3.1 A wet lease is a contractual agreement where a leased aircraft is operated by the flight crew members of the lessor. In a wet lease under Regulation on Wet-leasing of aircraft of the Civil Aviation (Air Operator Certification and Administration) Regulations the lessee exercises operational control of the aircraft and the crew.

3.2 Under the Regulations, the wet lease situation means the aircraft should be operated under an AOC issued by the Civil Aviation Authority (CAA) of the lessee of the aircraft.

4.0 WET LEASE AGREEMENTS

4.1 General Requirements

4.1.1 Regulation on Wet-leasing of aircraft of the Civil Aviation (Air Operator Certification and Administration) Regulations prescribes the requirements for wet lease operations.

- a) The safety standards of the lessor with respect to maintenance and operations are at least equivalent to the Civil Aviation Regulations;
- b) The air operator holds an Air Operator Certificate or its equivalent from a Contracting State that authorizes those operations; and
- c) The aircraft has an Airworthiness Certificate issued in accordance with Annex 8 of the Chicago Convention.

4.1.2 Before embarking on a wet lease agreement, an operator should establish that:

- a) The lessor's operations specifications include the area of operation required by the operator:

- b) The designated aircraft have the necessary approvals and equipment required to operate the proposed routes;
- c) Assigned crews are route qualified where applicable.

4.1.3 The lessee is required to submit a copy of the lease agreement or a written memorandum of the terms of the lease to the Authority for processing. Where the wet lease agreement involves only flight crew, the lessee must ensure that his cabin crew receive the required training with respect to their cabin safety and emergency duties on such aircraft by the lessor's AOC holder who will also provide training records of such training. This training must include crew coordination training with the lessor's flight crew. In addition, cabin crew must be made aware of the State of Registry's requirements with respect to duty time limitations and the performance of their duties and responsibilities aboard the wet leased aircraft. Because of these complications, the preferred option is a wet lease with a complete crew. The lessee may arrange for a cabin crew member or other airline representative to act as a public relations person on the wet lease operations to represent the image of the airline as required. That person will not be considered a member of the cabin crew.

4.1.4 The lessor will be asked to submit the following information regarding the lease, on operational control:

- a) A copy of his Air Operator Certificate;
- b) A copy of his Operations Specifications;
- c) A list of the aircraft registration of all the aircraft which will be used in the wet lease operations;
- d) A list of flight crew member names, licence numbers and licence validity date. Flight crew members must hold an appropriate licence, or have their licence validated by the state of the aircraft registry;
- e) A list of names of all maintenance personnel who will be maintaining the aircraft during the period of the lease. Maintenance personnel must hold an appropriate licence, or have their licence validated by the state of the aircraft registry;
- f) Name of contact person at lessor's CAA;
- g) An official letter from the lessor's CAA to the Authority that they are aware of the leasing arrangements.
- h) A copy of the lease agreement with details of the lease, including a clear statement that the lessee maintains operational control.

4.2 Pre-Approval of Wet Lease

4.2.1 An operator may apply to the Authority for pre-approval of a wet lease. This has the advantage of operating flexibility for the operator and minimum delay in obtaining approval in the event of an actual requirement for extra lift or for a substitute aircraft.

4.2.2 The operator may be able to have wet lease agreement with other operators for seasonal extra lift, or a short notice request for flights. In such situations a pre-approval may be granted by the Authority subject to the operator submitting an application with details of the operator and the required supporting documents described in this AC.

4.2.3 Where there is any doubt about the safety standards of a State, the Authority may require a full assessment of the safety standards of the State of the lessor, which may include a formal audit of the lessor's AOC holder.

4.3 Determination of Operational Control

4.3.1 Regulation on Wet-leasing of aircraft of the Civil Aviation (Air Operator Certification and Administration) Regulations provides that the Lessee has operational control considering the extent and control of certain operational functions such as –

- a) Initiating and terminating flights;
- b) Maintenance and servicing of aircraft;
- c) Scheduling crew members;
- d) Paying crew members; and
- e) Training crew members;

4.4 Amending Operations Specifications

The AOC holder shall have his Operations Specifications amended.

The amendment to the operations specifications will contain the following information:

- a) The names of the parties to the agreement and the duration of the agreement;
- b) The make, model, and series of each aircraft involved in the agreement;
- c) The kind of operation;
- d) The expiration date of the lease agreement;
- e) A statement specifying the party deemed to have operational control; and
- f) Any other item, condition, or limitation the Authority determines necessary.



Civil Aviation Authority

APPENDIX A

EXAMPLE OPERATIONS SPECIFICATIONS

Civil Aviation Authority	Operations Specifications	CAA Control: CAA Revision:
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A028: Aircraft Wet Lease Arrangements - Regulation on Wet-leasing of aircraft of the Civil Aviation (Air Operator Certification and Administration) Regulations

a. **The holder of these operations specifications with operational control:** The air operator shall conduct operations with the aircraft in accordance with the wet lease agreements identified in the following table. All operations conducted under the wet lease agreements shall be conducted in accordance with the authorizations, limitations, and provisions of these operations specifications and the terms and conditions of the appropriate wet lease agreement. The air operator shall at all times be responsible for and maintain the operational control and airworthiness of the aircraft identified in the lease agreements. The nationality and registration numbers of the aircraft to be used in the wet lease agreement shall be identified in Paragraph A003 of these operations specifications. Except as provided in subparagraph b. below the air operator shall not conduct, nor be a party to, operations under these operations specifications with aircraft under any other wet lease agreement.

Names of the Parties to the Wet Lease Agreement(s)		Aircraft Type	Aircraft Registration No	Aircraft Serial Number	Date of CAA Approval	CAA Approval Expiry Date	Date Lease Executed	Date Lease Expires
Lessor	Lessee							
Air Caribbean Ltd	BWIA	ATR72	9Y-ABC	110	31 Dec 04	30 Jun 05	10-Dec-04	30-Jun-05
		ATR72	9Y-BCD	120	31 Dec 04	30 Jun 05	10-Dec-04	30-Jun-05
		ATR72	9Y-CDE	130	31 Dec 04	30 Jun 05	10-Dec-04	30-Jun-05

b. **The holder of these operations specifications without operational control:** For the purpose of this subparagraph, the other party to the wet lease agreement has operational control. The other party shall at all times be responsible for and maintain the operational control and airworthiness of the referenced aircraft for each wet lease agreement identified in the aircraft list in the table below. The air operator does not have operational control of any operation conducted by the other party under this subparagraph. The air operator is authorized to exercise the wet lease agreements identified in the following table. Except as provided in subparagraph a. above the air operator shall not conduct, nor be a party to, operations under these operations specifications with aircraft under any other wet lease agreement.

Names of the Parties to the Wet Lease Agreement(s)		Aircraft Type	Aircraft Registration No	Aircraft Serial Number	Type of Operation	Date of CAA Approval	CAA Approval Expiry Date	Date Lease Executed	Date Lease Expires
Lessor	Lessee								
ABC Air Inc	Sunshine Airways	ATR-72	N-9999	12345	Passenger	02-Jul-04	31-Dec-04	01-Jan-04	31-Dec-04
DEF Airways	Sunshine Airways	DH-8	N-9090	23456	Passenger	01-Jan-04	31-Dec-04	01-Mar-04	31-Dec-04

