

Fly Leasing Ltd
Form SC TO-I
November 17, 2015
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE TO

Tender Offer Statement under Section 14(d)(1) or 13(e)(1)
Of the Securities Exchange Act of 1934

Fly Leasing Limited

(Name of Subject Company (Issuer) and Filing Person (Offeror))

American Depositary Shares

(Title of Class of Securities)

34407D109

(CUSIP Number of Class of Securities)

Puglisi & Associates

850 Library Avenue, Suite 204

Newark, Delaware 19711

(302) 738-6680

(Name, Address and Telephone Number of Person Authorized
to Receive Notices and Communications on Behalf of the Filing Persons)

With copies to:

Boris Dolgonos, Esq.

Jones Day

222 East 41st Street

New York, New York 10017

(212) 326-3939

CALCULATION OF FILING FEE

Transaction Valuation*

\$75,000,000

Amount of Filing Fee**

\$7,552.50

* The transaction value is estimated only for purposes of calculating the filing fee. This amount is based on the offer to purchase common shares, \$0.001 par value, held in the form of American Depositary Shares, for an aggregate purchase price of up to \$75,000,000.

** The amount of the filing fee, calculated in accordance with Rule 0-11 under the Securities Exchange Act of 1934, as amended, as modified by Fee Rate Advisory No. 1 for fiscal year 2016, equals \$100.70 per million dollars of the value of the transaction.

o Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or

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Schedule and the date of its filing.

Amount Previously Paid: Not Applicable Filing Party: Not Applicable

Form or Registration No.: Not Applicable Date Filed: Not Applicable

- Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- third-party tender offer subject to Rule 14d-1.
- issuer tender offer subject to Rule 13e-4.
- going-private transaction subject to Rule 13e-3.
- amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

This Tender Offer Statement on Schedule TO (Schedule TO) is being filed by Fly Leasing Limited, a Bermuda exempted company (Fly or the Company), pursuant to Rule 13e-4 under the Securities Exchange Act of 1934, as amended (the Exchange Act), in connection with the Company s offer to purchase for cash its common shares, \$0.001 par value per share, held in the form of American Depositary Shares (the Shares), having an aggregate purchase price of up to \$75,000,000, pursuant to (i) auction tenders at prices specified by the tendering shareholder of not less than \$12.70 and not greater than \$14.25 per Share (Auction Tenders) or (ii) purchase price tenders (Purchase Price Tenders), in either case, net to the seller in cash, less any applicable withholding taxes, less a cancellation fee of \$0.03 per Share accepted for purchase in the offer that will be paid to Deutsche Bank Trust Company Americas, the Company s depository, and without interest, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated November 17, 2015, and in the related Letter of Transmittal (which, as they may be amended or supplemented from time to time, together constitute the Offer) filed as exhibits to this Schedule TO. This Schedule TO is being filed in accordance with Rule 13e-4(c)(2) under the Exchange Act.

All information in the Offer to Purchase and the related Letter of Transmittal hereby is expressly incorporated by reference in answer to all items in this Schedule TO, and as more particularly set forth below.

ITEM 1. *Summary Term Sheet.*

The information set forth in the section of the Offer to Purchase titled Summary Term Sheet is incorporated herein by reference.

ITEM 2. *Subject Company Information.*

(a) The name of the issuer is Fly Leasing Limited, a Bermuda exempted company. The address of the Company s principal executive offices is West Pier, Dun Laoghaire, County Dublin, Ireland and its telephone number is +353-1-231-1900.

(b) This Schedule TO relates to the Shares of Fly. As of November 11, 2015, there were 41,162,354 Shares issued and outstanding. The information set forth in the section of the Offer to Purchase titled Introduction is incorporated herein by reference.

(c) The information set forth in Section 7—Price Range of Shares; Dividends of the Offer to Purchase is incorporated herein by reference.

ITEM 3. *Identity and Background of Filing Person.*

(a) Fly Leasing Limited is the filing person and subject company. The information set forth in Item 2(a) is incorporated herein by reference. The information set forth in Section 9—Certain Information Concerning the Company and Section 10—Interests of Directors, Executive Officers and Affiliates; Recent Securities Transactions; Transactions and Arrangements Concerning the Shares of the Offer to Purchase is incorporated herein by reference.

ITEM 4. *Terms of the Transaction.*

(a)(1)(i) The information set forth in the section of the Offer to Purchase titled Summary Term Sheet and Introduction, and in Section 1—Number of Shares; Purchase Price; Proration of the Offer to Purchase is incorporated herein by reference.

(a)(1)(ii) The information set forth in the section of the Offer to Purchase titled Summary Term Sheet and Introduction, and in Section 1—Number of Shares; Purchase Price; Proration, Section 5—Purchase of Shares and Payment of Purchase Price and Section 8—Source and Amount of Funds of the Offer to Purchase is incorporated herein by reference.

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(a)(1)(iii) The information set forth in the section of the Offer to Purchase titled Summary Term Sheet and Introduction, and in Section 1—Number of Shares; Purchase Price; Proration, Section 3—Procedures for Tendering Shares and Section 14—Extension of the Offer; Termination; Amendment of the Offer to Purchase is incorporated herein by reference.

(a)(1)(iv) Not applicable.

(a)(1)(v) The information set forth in the section of the Offer to Purchase titled *Summary Term Sheet* and in *Section 14—Extension of the Offer; Termination; Amendment* of the Offer to Purchase is incorporated herein by reference.

(a)(1)(vi) The information set forth in the section of the Offer to Purchase titled *Summary Term Sheet* and in *Section 4—Withdrawal Rights* of the Offer to Purchase is incorporated herein by reference.

(a)(1)(vii) The information set forth in the section of the Offer to Purchase titled *Summary Term Sheet* and in *Section 3—Procedures for Tendering Shares* and *Section 4—Withdrawal Rights* of the Offer to Purchase is incorporated herein by reference.

(a)(1)(viii) The information set forth in the section of the Offer to Purchase titled *Summary Term Sheet*, in *Section 3—Procedures for Tendering Shares* and *Section 5—Purchase of Shares and Payment of Purchase Price* of the Offer to Purchase is incorporated herein by reference.

(a)(1)(ix) The information set forth in the section of the Offer to Purchase titled *Summary Term Sheet*, *Introduction*, in *Section 1—Number of Shares; Purchase Price; Proration* and in *Section 5—Purchase of Shares and Payment of Purchase Price* of the Offer to Purchase is incorporated herein by reference.

(a)(1)(x) The information set forth in the section of the Offer to Purchase titled *Summary Term Sheet* and in *Section 2—Purpose of the Offer; Certain Effects of the Offer* and in *Section 10—Interests of Directors, Executive Officers and Affiliates; Recent Securities Transactions; Transactions and Arrangements Concerning the Shares* of the Offer to Purchase is incorporated herein by reference.

(a)(1)(xi) The information set forth in the section of the Offer to Purchase titled *Summary Term Sheet* and in *Section 2—Purpose of the Offer; Certain Effects of the Offer* of the Offer to Purchase is incorporated herein by reference.

(a)(1)(xii) The information set forth in the section of the Offer to Purchase titled *Summary Term Sheet* and in *Section 3—Procedures for Tendering Shares* and *Section 12—Tax Considerations* of the Offer to Purchase is incorporated herein by reference.

(a)(2)(i-vii) Not applicable.

(b) The information set forth in the section of the Offer to Purchase titled *Summary Term Sheet* and *Introduction* and in *Section 2—Purposes of the Offer; Certain Effects of the Offer* and *Section 10—Interests of Directors, Executive Officers and Affiliates; Recent Securities Transactions; Transactions and Arrangements Concerning the Shares* of the Offer to Purchase is incorporated herein by reference.

ITEM 5. *Past Contacts, Transactions, Negotiations and Agreements.*

(e) The information set forth in the section of the Offer to Purchase titled *Summary Term Sheet* and in *Section 10—Interests of Directors, Executive Officers and Affiliates; Recent Securities Transactions; Transactions and Arrangements Concerning the Shares* of the Offer to Purchase is incorporated herein by reference.

ITEM 6. *Purposes of the Transaction and Plans or Proposals.*

(a) The information set forth in the section of the Offer to Purchase titled *Summary Term Sheet* and in *Section 2—Purpose of the Offer; Certain Effects of the Offer* of the Offer to Purchase is incorporated herein by reference.

(b) The information set forth in *Section 2—Purpose of the Offer; Certain Effects of the Offer* of the Offer to Purchase is incorporated herein by reference.

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(c)(1-10) The information set forth in the section of the Offer to Purchase titled Summary Term Sheet and Introduction and in Section 2—Purpose of the Offer; Certain Effects of the Offer, Section 8—Source and Amount of Funds, Section 9—Certain Information Concerning the Company and Section 10—Interests of Directors, Executive Officers and Affiliates; Recent Securities Transactions; Transactions and Arrangements Concerning the Shares of the Offer to Purchase is incorporated herein by reference.

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ITEM 7. *Source and Amount of Funds or Other Consideration.*

(a), (b) and (d) The information set forth in the section of the Offer to Purchase titled Summary Term Sheet, Section 6—Conditions of the Offer and in Section 8—Source and Amount of Funds of the Offer to Purchase is incorporated herein by reference.

ITEM 8. *Interest in Securities of the Subject Company.*

(a) and (b) The information set forth in Section 10—Interests of Directors, Executive Officers and Affiliates; Recent Securities Transactions; Transactions and Arrangements Concerning the Shares of the Offer to Purchase is incorporated herein by reference.

ITEM 9. *Persons/Assets, Retained, Employed, Compensated or Used.*

(a) The information set forth in the section of the Offer to Purchase titled Introduction and in Section 15—Fees and Expenses of the Offer to Purchase is incorporated herein by reference.

ITEM 10. *Financial Statements.*

(a) and (b) Not applicable.

ITEM 11. *Additional Information.*

(a)(1) The information set forth in Section 10—Interests of Directors, Executive Officers and Affiliates; Recent Securities Transactions; Transactions and Arrangements Concerning the Shares of the Offer to Purchase is incorporated herein by reference.

(a)(2) The information set forth in Section 11—Certain Legal Matters; Regulatory Approvals of the Offer to Purchase is incorporated herein by reference.

(a)(3) The information set forth in Section 11—Certain Legal Matters; Regulatory Approvals of the Offer to Purchase is incorporated herein by reference.

(a)(4) The information set forth in Section 2—Purpose of the Offer; Certain Effects of the Offer and Section 13—Effects of the Offer on the Market for Shares; Registration under the Exchange Act of the Offer to Purchase is incorporated herein by reference.

(a)(5) None.

(c) The information set forth in the Offer to Purchase and the related Letter of Transmittal, copies of which are filed as Exhibits (a)(1)(A) and (a)(1)(B) hereto, respectively, as each may be amended or supplemented from time to time, is incorporated herein by reference. The information contained in all of the exhibits referred to in Item 12 below is incorporated herein by reference.

ITEM 12. Exhibits.

Exhibit Number	Description
(a)(1)(A)	Offer to Purchase, dated November 17, 2015.
(a)(1)(B)	Letter of Transmittal (including IRS Form W-9).
(a)(1)(C)	Notice of Guaranteed Delivery.
(a)(1)(D)	Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
(a)(1)(E)	Letter to Clients for use by Brokers, Dealers, Banks, Trust Companies and Other Nominees.
(a)(1)(F)	Form of Summary Advertisement.
(a)(2)	None.
(a)(3)	Not applicable.
(a)(4)	Not applicable.
(a)(5)(A)	Press Release dated November 12, 2015 (furnished as Exhibit 99.1 to the Company's Current Report on Form 6-K dated November 12, 2015 and incorporated herein by reference).
(a)(5)(B)	Transcript of applicable portions of the Company's Third Quarter 2015 Earnings Call dated November 12, 2015 (incorporated by reference to Exhibit 99.2 to the Company's Schedule TO-C filed on November 13, 2015 (File No. 005-83186)).
(a)(5)(C)	Fly Leasing Limited Earnings Presentation, dated November 12, 2015 (incorporated by reference to Exhibit 99.3 to the Company's Schedule TO-C filed on November 13, 2015 (File No. 005-83186)).
(a)(5)(D)	Press Release dated November 17, 2015.
(b)	Not applicable.
(d)(1)	Deposit Agreement between Deutsche Bank Trust Company Americas and Babcock & Brown Air Limited (filed as Exhibit 4.2 to the Company's Registration Statement on Form F-1 filed on September 12, 2007 (File No. 333-145994) and incorporated herein by reference).
(d)(2)	Trust Indenture, dated as of October 2, 2007, among Deutsche Bank Trust Company Americas, BNP Paribas, AMBAC Assurance Corporation and Babcock & Brown Air Funding I Limited (filed as Exhibit 10.9 to the Company's Registration Statement on Form F-1 filed on September 12, 2007 (File No. 333-145994) and incorporated herein by reference).
(d)(3)	Registration Rights Agreement dated as of December 28, 2012, by and among Fly Leasing Limited and each shareholder identified therein (filed as Exhibit 4.19 to the Company's Annual Report on Form 20-F for the year ended December 31, 2012 and incorporated herein by reference).
(d)(4)	Indenture dated December 11, 2013 between Fly Leasing Limited and Wells Fargo Bank, National Association (filed as Exhibit 4.1 to the Company's Current Report on Form 6-K dated December 11, 2013 and incorporated herein by reference).
(d)(5)	First Supplemental Indenture dated December 11, 2013 between Fly Leasing Limited and Wells Fargo Bank, National Association (filed as Exhibit 4.2 to the Company's Current Report on Form 6-K dated December 11, 2013 and incorporated herein by reference).
(d)(6)	Second Supplemental Indenture dated as of October 3, 2014, between Fly Leasing Limited and Wells Fargo Bank, National Association (filed as Exhibit 4.1 to the Company's Current Report on Form 6-K dated October 3, 2014 and incorporated herein by reference).

Exhibit Number	Description
(d)(7)	Amendment No. 1 to Trust Indenture, dated as of October 24, 2014, by and among Babcock & Brown Air Funding I Limited, Deutsche Bank Trust Company Americas, BNP Paribas and AMBAC Assurance Corporation (filed as Exhibit 4.23 to the Company's Annual Report on Form 20-F for the year ended December 31, 2014 and incorporated herein by reference).
(d)(8)	Form of Director Service Agreement between Babcock & Brown Air Limited and each director thereof (filed as Exhibit 10.12 to the Company's Registration Statement on Form F-1 filed on September 12, 2007 (File No. 333-145994) and incorporated herein by reference).
(d)(9)	Fly Leasing Limited 2010 Omnibus Incentive Plan (filed as Exhibit 4.5 to the Company's Current Report on Form 6-K dated May 7, 2010 and incorporated herein by reference).
(d)(10)	Form of Stock Appreciation Right Award Agreement Plan (filed as Exhibit 4.6 to the Company's Current Report on Form 6-K dated May 7, 2010 and incorporated herein by reference).
(d)(11)	Form of Restricted Stock Unit Award Agreement (filed as Exhibit 4.7 to the Company's Current Report on Form 6-K dated May 7, 2010 and incorporated herein by reference).
(d)(12)	Amended and Restated Fly Leasing Limited Management Agreement dated as of December 28, 2012, between Fly Leasing Limited and Fly Leasing Management Co. Limited (filed as Exhibit 4.18 to the Company's Annual Report on Form 20-F for the year ended December 31, 2012 and incorporated herein by reference).
(d)(13)	First Amendment to Amended and Restated Fly Leasing Limited Management Agreement, dated June 19, 2015, between Fly Leasing Limited and Fly Leasing Management Co. Limited (filed as Exhibit 4.2 to the Company's Current Report on Form 6-K dated August 5, 2015 and incorporated herein by reference).
(g)	Not applicable.
(h)	Not applicable.

ITEM 13. *Information Required by Schedule 13E-3.*

Not applicable.

SIGNATURES

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

FLY LEASING LIMITED

By: /s/ Colm Barrington

Name: Colm Barrington

Title: Chief Executive Officer

Date: November 17, 2015

EXHIBIT INDEX

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