FORM SC 13D

Schedule filed to report acquisition of beneficial ownership of 5% or more of a class of equity securities

Filing Date: **2013-01-09**
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(HTML Version on secdatabase.com)

SUBJECT COMPANY

Fly Leasing Ltd

CIK:**1407298**| IRS No.: **980536376** | State of Incorp.:**D0** | Fiscal Year End: **1231**
Type: **SC 13D** | Act: **34** | File No.: **005-83186** | Film No.: **13519688**
SIC: **7350** Miscellaneous equipment rental & leasing

Mailing Address
WEST PIER
DUN LAOGHAIRE
COUNTY DUBLIN L2 00000

Business Address
WEST PIER
DUN LAOGHAIRE
COUNTY DUBLIN L2 00000
353 1 231-1900

FILED BY

Summit Aviation Partners LLC

CIK:**1566218**| IRS No.: **270515896** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **SC 13D**

Mailing Address
50 CALIFORNIA STREET,
14TH FLOOR
SAN FRANCISCO CA 94111

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SAN FRANCISCO CA 94111
415-267-1600

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
Under the Securities Exchange Act of 1934
(Amendment No.)*

Fly Leasing Limited

(Name of Issuer)

American Depository Shares, each representing one Common Share, par value $0.001 per share

(Title of Class of Securities)

05614P 101

(CUSIP Number)

Mina Kim
Summit Aviation Partners LLC
50 California Street, 14th Floor, San Francisco, CA 94111
Tel.: 415-267-1600

John D. Amorosi
Davis Polk & Wardwell LLP
450 Lexington Avenue, New York, NY 10017
Tel.: 212-450-4010

(Name, Address and Telephone Number of Person Authorized to
Receive Notices and Communications)

December 31, 2012

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-l(f) or 240.13d-l(g), check the following box. ☐

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No.	05614P 101	
1.	Names of Reporting Persons. Steven Zissis	
2.	Check the Appropriate Box if a Member of a Group (See Instructions) (a) ☒ (b) ☐	
3.	SEC Use Only	
4.	Source of Funds (See Instructions) SC/AF	
5.	Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) ☐	
6.	Citizenship or Place of Organization United States	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7. Sole Voting Power 0	
	8. Shared Voting Power 1,503,138(1)	
	9. Sole Dispositive Power 0	
	10. Shared Dispositive Power 1,503,138(1)	
11.	Aggregate Amount Beneficially Owned by Each Reporting Person 1,503,138(1)	
12.	Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) ☐	
13.	Percent of Class Represented by Amount in Row (11) Common Shares: 5.4%	
14.	Type of Reporting Person (See Instructions) IN	

(1) Represents 64,926 ADSs held by the Zissis Family Trust and 1,438,212 ADSs held by Summit Aviation Partners LLC.

CUSIP No.	05614P 101	
1.	Names of Reporting Persons. Zissis Family Trust	
2.	Check the Appropriate Box if a Member of a Group (See Instructions) (a) ☒ (b) ☐	
3.	SEC Use Only	
4.	Source of Funds (See Instructions) AF	
5.	Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) ☐	
6.	Citizenship or Place of Organization Nevada	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7. Sole Voting Power 0	
	8. Shared Voting Power 1,503,138(2)	
	9. Sole Dispositive Power 0	
	10. Shared Dispositive Power 1,503,138(2)	
11.	Aggregate Amount Beneficially Owned by Each Reporting Person 1,503,138(2)	
12.	Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)	
13.	Percent of Class Represented by Amount in Row (11) Common Shares: 5.4%	
14.	Type of Reporting Person (See Instructions) OO	

(2) Represents 64,926 ADSs held for its own account and 1,438,212 ADSs held by Summit Aviation Partners LLC.

CUSIP No.	05614P 101	
1.	Names of Reporting Persons. Summit Aviation Partners LLC	
2.	Check the Appropriate Box if a Member of a Group (See Instructions) (a) ☒ (b) ☐	
3.	SEC Use Only	
4.	Source of Funds (See Instructions) WC	
5.	Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) ☐	
6.	Citizenship or Place of Organization Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7. Sole Voting Power 0	
	8. Shared Voting Power 1,438,212	
	9. Sole Dispositive Power 0	
	10. Shared Dispositive Power 1,438,212	
11.	Aggregate Amount Beneficially Owned by Each Reporting Person 1,438,212	
12.	Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) ☐	
13.	Percent of Class Represented by Amount in Row (11) Common Shares: 5.1%	
14.	Type of Reporting Person (See Instructions) OO	

Item 1. Security and Issuer

This Statement on Schedule 13D relates to the American Depositary Shares (the "**ADSs**") of Fly Leasing Limited, a Bermuda exempted company (the "**Issuer**"). The principal executive offices of the Issuer are located at West Pier, Dun Laoghaire, County Dublin, Ireland.

Item 2. Identity and Background

The names of the reporting persons are Steven Zissis, the Zissis Family Trust (the "**Trust**") and Summit Aviation Partners LLC ("**SAP**") (each a "**Reporting Person**" and collectively, the "**Reporting Persons**").

Steven Zissis

Mr. Zissis's business address is 50 California Street, 14th Floor, San Francisco, CA 94111. Mr. Zissis is a director of the Issuer, the President and Manager of SAP and the President and Chief Executive Officer of BBAM Limited Partnership, an exempted limited partnership registered in the Cayman Islands ("**BBAM**").

Zissis Family Trust

The Trust is a trust organized under the laws of Nevada. The principle business address of the Trust is 674 Alpine View, Incline Village, Nevada 89451. Mr. Zissis is a trustee of the Trust.

SAP

SAP is a Delaware limited liability company with its principle offices and principle business address at 50 California Street, 14th Floor, San Francisco, CA 94111. SAP provides commercial aircraft leasing, financing, management and asset management services through its subsidiary BBAM. The name, business address, present principal occupation or employment, principal business address of such employer (if not SAP) and citizenship of each director and executive officer of SAP is set forth on Schedule A.

During the last five years, none of the Reporting Persons, nor, to the knowledge of any Reporting Person, any of the persons listed on Schedule A attached hereto, (i) have been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) have been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding were or are subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject, to federal or state securities laws or finding any violation with respect to such laws.

Mr. Zissis is a citizen of the United States.

Item 3. Source and Amount of Funds or Other Consideration

Steven Zissis

Mr. Zissis acquired 64,926 ADSs at no cost directly from the Issuer pursuant to a long term incentive compensation plan. Mr. Zissis transferred all of the 64,926 ADSs acquired by him to the Trust.

Trust

The Trust acquired 64,926 ADSs in gift transfers from Mr. Zissis for zero consideration.

SAP

SAP acquired the ADSs for an aggregate purchase price of $13,779,998 in two transactions dated April 29, 2010 (for 1,000,000 ADSs at a purchase price of $8.78 per ADS) and December 31, 2012 (for 438,212 ADSs at a purchase price of $11.41 per ADS). Such price was funded through working capital.

Item 4. Purpose of Transaction

The ADSs held by the Zissis Family Trust to which this Statement relates were acquired for investment purposes from the Issuer pursuant to a long term incentive compensation plan.

The ADSs held by SAP to which this Statement relates were acquired by SAP for investment purposes pursuant to (i) a purchase agreement dated April 29, 2010 among SAP and Babcock & Brown Limited and (ii) a purchase agreement dated November 30, 2012 (as amended, the "**2012 Fly Purchase Agreement**"), among SAP, the Issuer and certain affiliates of Onex Corporation (such affiliates, the "**Onex Investors**").

Except as otherwise contemplated herein, the Reporting Persons currently have no plans or proposals which relate to or would result in any of the actions enumerated in paragraphs (a) through (j) of Item 4 of the form of Schedule 13D promulgated under the Act. However, each Reporting Person reserves the right to change its plans at any time, as it deems appropriate, in light of its ongoing evaluation of (a) its business and liquidity objectives, (b) the Company's financial condition, business, operations, competitive position, prospects and/or share price, (c) industry, economic and/or securities markets conditions, (d) alternative investment opportunities, and (e) other relevant factors. As part of this ongoing review, the Reporting Persons may in the future engage legal and financial advisors to assist them in such review and in evaluating strategic alternatives that are or may become available with respect to their holdings in the Issuer.

Without limiting the generality of the foregoing, each Reporting Person reserves the right (in each case, subject to any applicable restrictions under law or contract) to at any time or from time to time (i) purchase or otherwise acquire additional ADSs or other securities of the Issuer, or instruments convertible into or exercisable for any such securities (collectively, "**Issuer Securities**"), in the open market, in privately negotiated transactions or otherwise, (ii) sell, transfer or otherwise dispose of Issuer Securities in public or private transactions, (iii) cause Issuer Securities to be distributed in kind to its investors, (iv) acquire or write options contracts, or enter into derivatives or hedging transactions, relating to Issuer Securities, and/or (v) encourage (including, without limitation, through their positions on or designees on the Issuer's board of directors and/or communications with directors, management, and existing or prospective security holders, investors or lenders, of the Issuer, existing or potential strategic partners, industry analysts and other investment and financing professionals) the Issuer to consider or explore (A) sales or acquisitions of assets or businesses, or extraordinary corporate transactions, such as a merger, reorganization or liquidation involving the Issuer or any of its subsidiaries (including transactions in which affiliates of the Reporting Persons may be proposed as acquirers or as a source of financing), (B) changing the present board of directors of the Issuer, including changing the number or term of board members or filling existing vacancies on the board, (C) changes to the Issuer's capitalization or dividend policy, (D) changing the Issuer's charter, bylaws, or similar organizational instruments or taking other actions which may impede the acquisition of control of the Issuer by any person, (E) causing a class of the Issuer's securities to be delisted from a national securities exchange or to become eligible for termination of registration pursuant to Section 12(g)(4) under the Act or (F) other changes to the Issuer's business or structure. In addition, Steven Zissis and any other directors who are affiliated with the Reporting Persons may remain in office or may resign or be removed from office in accordance with the provisions of the Issuer's organizational documents.

In no event does any of the foregoing relate to any plan or proposal that might be considered or discussed by any individual who is serving as a member of the Issuer's Board of Directors solely in his or her capacity as a director.

Item 5. Interest in Securities of the Issuer

(a) The responses of the Reporting Persons to rows 11-13 of the cover pages of this Statement are incorporated herein by reference. The Reporting Persons are the beneficial owners of 1,503,138 ADSs in the aggregate, representing approximately 5.4% of the Issuer's outstanding ADSs (based on 28,040,305 ADSs outstanding as of January 9, 2013 after giving effect to the closing of the 2012 Fly Purchase Agreement).

(b) The responses of the Reporting Persons to rows 11-13 of the cover pages of this Statement are incorporated herein by reference.

(c) Other than the acquisition of 438,212 ADSs by SAP pursuant to the 2012 Fly Purchase Agreement, which acquisition was consummated on December 31, 2012, no Reporting Person has effected any transaction in the ADSs during the past 60 days.

(d) Inapplicable.

(e) Inapplicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

In accordance with the terms of the 2012 Fly Purchase Agreement, the Issuer, SAP and the Onex Investors (SAP and the Onex Investors collectively, the "**Holders**") entered into a Registration Rights Agreement dated December 28, 2012, which obligates the Issuer to, no later than 10 days after it files its annual report on Form 20-F for the year ended December 31, 2012, file a shelf registration statement under Rule 415 of the Securities Act of 1933, as amended, for a public offering of all of the ADSs held by SAP and the Onex Investors (the "**Registrable Shares**"). The Holders have the right to sell their Registrable Shares at any time or from time after such shelf registration statement is declared effective in any manner described under "Plan of Distribution" in such registration statement, including pursuant to an underwritten offering of no less than $10 million of Registrable Shares. If the Issuer fails to file the shelf registration statement or fails to cause or maintain the effectiveness of such shelf registration statement, each Holder has the right to demand registration of the Registrable Shares held by such Holder. The Registration Rights Agreement includes customary provisions relating to registration procedures, expenses and indemnification.

Pursuant to the terms of the 2012 Fly Purchase Agreement, SAP may not sell or otherwise dispose of any ADSs without the prior written consent of the Company, except for (i) an aggregate amount of ADSs equal to 1,438,212 multiplied by the percentage of outstanding equity interests in BBAM that have been sold or otherwise transferred by any Onex Investor to third parties and (ii) transfers to affiliates of SAP.

Except for the arrangements described above, to the knowledge of the Reporting Persons, there are no contracts, arrangements, understandings or relationships (legal or otherwise), including, but not limited to, transfer or voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies, between the persons enumerated in Item 2, and any other person, with respect to any securities of the Issuer, including any securities pledged or otherwise subject to a contingency the occurrence of which would give another person voting power or investment power over such securities other than standard default and similar provisions contained in loan agreements.

Item 7. Material to be Filed as Exhibits

Exhibit 1: Registration Rights Agreement dated as of December 28, 2012 among the Issuer, SAP and the Onex Investors.

Exhibit 2: Fly Leasing Limited Securities Purchase Agreement dated as of November 30, 2012 between the Issuer, SAP and the Onex Investors.

Exhibit 3: First Amendment to Purchase Agreement dated as of December 28, 2012 among the Issuer, SAP and the Onex Investors.

SIGNATURE

After reasonable 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.

Steven Zissis

January 9, 2013
Date

/s/ Steven Zissis
Signature

Zissis Family Trust

January 9, 2013
Date

/s/ Steven Zissis
Signature

Steven Zissis, Trustee
(Name/Title)

Summit Aviation Partners LLC

January 9, 2013
Date

/s/ Steven Zissis
Signature

Steven Zissis, President & Manager
(Name/Title)

SCHEDULE A

DIRECTORS AND EXECUTIVE OFFICERS
OF SUMMIT AVIATION PARTNERS LLC

The name, business address, title, present principal occupation or employment of each of the directors and executive officers of SAP are set forth below. If no business address is given the director's or officer's business address is 50 California Street, 14th Floor, San Francisco, CA 94111. Unless otherwise indicated, each occupation set forth opposite an individual's name refers to SAP. All of the persons listed below are citizens of the United States of America.

Name and Business Address	Present Principal Occupation Including Name and Address[1] of Employer
Executive Officers	
(Who Are Not Directors)	
Steven Zissis	President & Manager
Robert S. Tomczak	Chief Financial Officer and Vice President
Gregory Azzara	Vice President and Secretary
Takeshi Saeki	Vice President

[1] Same address as director' or officer's business address except where indicated.

REGISTRATION RIGHTS AGREEMENT

This REGISTRATION RIGHTS AGREEMENT (this "Agreement"), dated as of December 28, 2012, is entered into by and among Fly Leasing Limited, a Bermuda exempted company (including its successors, the "Company"), and each of the shareholders of the Company that is listed in the signature pages hereof (each, an "Investor" and, collectively the "Investors").

RECITALS

WHEREAS, the Company desires to sell, and each of the Investors desires to purchase, severally and not jointly, American Depositary Shares, each representing one Common Share, par value $0.001, of the Company ("Common Shares"), on the terms and subject to the conditions contained in the Securities Purchase Agreement, dated as of November 30, 2012 (the "Securities Purchase Agreement"), by and among the Company and the Investors;

WHEREAS, upon the closing of the transactions contemplated by the Securities Purchase Agreement, each Investor will subscribe for Common Shares in the form of American Depositary Shares (the "Shares") at a price per Share as set forth in the Securities Purchase Agreement;

WHEREAS, the Company has agreed to provide the Investors with the registration rights specified in this Agreement with respect to the Shares held by them or any of their permitted transferees, on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1

DEFINITIONS

1.1 Definitions. The following terms shall have the meanings set forth in this Section 1.1:

"Exchange Act" means the Securities Exchange Act of 1934, as amended, or any similar federal statute, and the rules and regulations promulgated by the SEC thereunder.

"Excluded Registration" means a registration under the Securities Act of (i) securities registered on Form S-8 or any similar successor form, and (ii) securities registered to effect the acquisition of, or combination with, another Person.

"Holder" means (i) each Investor and (ii) any direct or indirect transferee of any Investor who shall become a party to this Agreement in accordance with Section 2.7 and has agreed in writing to be bound by the terms of this Agreement.

"Onex Investors" means the Investors named on the signature pages hereto under the heading "Onex".

"Person" or "person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or other agency or political subdivision thereof.

"register," "registered" and "registration" refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act, and the declaration or ordering of the effectiveness of such registration statement.

"Registrable Shares" means the Shares owned by Holders, together with any securities owned by Holders issued with respect to such Shares by way of stock dividend or stock split or in connection with a combination of shares, recapitalization, merger, consolidation, amalgamation or other reorganization; *provided*, *however*, that Shares that, pursuant to Section 3.1, no longer have registration rights hereunder shall not be considered Registrable Shares.

"SEC" means the Securities and Exchange Commission or any other federal agency at the time administering the Securities Act.

"Securities Act" means the Securities Act of 1933, as amended, or any similar federal statute, and the rules and regulations promulgated by the SEC thereunder.

"Summit Investor" means the Investor named on the signature pages hereto under the heading "Summit".

1.2 Other Terms. For purposes of this Agreement, the following terms have the meanings set forth in the section or agreement indicated.

Term	Section
Adverse Effect	Section 2.1.4
Advice	Section 2.3
Agreement	Introductory Paragraph
Common Shares	Recitals
Company	Introductory Paragraph
Demand Notice	Section 2.1.1(b)
Demand Registration	Section 2.1.1(b)
Inspectors	Section 2.2(xii)
FINRA	Section 2.5(xiv)
Investors	Introductory Paragraph
Records	Section 2.2(xii)
Securities Purchase Agreement	Recitals
Seller Affiliates	Section 2.5.1
Shares	Recitals
Shelf Registrable Shares	Section 2.1.3
Shelf Registration Statement	Section 2.1.1(a)
Shelf Underwriting	Section 2.1.3
Shelf Underwriting Notice	Section 2.1.3
Shelf Underwriting Request	Section 2.1.3
Suspension Notice	Section 2.3

1.3 Rules of Construction. Unless the context otherwise requires

(1) a term has the meaning assigned to it;

(2) "or" is not exclusive;

(3) words in the singular include the plural, and words in the plural include the singular;

(4) provisions apply to successive events and transactions; and

(5) “herein,” “hereof and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision.

ARTICLE 2

REGISTRATION RIGHTS

2.1 Registration Statement.

2.1.1 Company to File Registration Statement.

(a) As soon as practicable following, and in no event later than 10 days after, the date on which the Company files its annual report on Form 20-F for the year ended December 31, 2012 (the "2012 Form 20-F"), the Company shall file a registration statement under Rule 415 of the Securities Act (or a successor rule) (a "Shelf Registration Statement") for a public offering of all (but not less than all) of the Registrable Shares. If, at any time that there are outstanding Registrable Shares, any Shelf Registration Statement covering such Registrable Shares should cease to be effective for any reason, then, subject to Section 2.1.1(b), the Company shall file another Shelf Registration Statement for a public offering of all (but not less than all) of the Registrable Shares. The Company shall use reasonable best efforts to cause each Shelf Registration Statement referred to in this Section 2.1.1(a) to be declared effective by the SEC as promptly as practicable after such filing and to maintain the effectiveness of such Shelf Registration Statement.

(b) If the Company is unable to file, cause to be effective or maintain the effectiveness of a Shelf Registration Statement as required under Section 2.1.1(a), each Holder shall have the right by delivering a written notice to the Company (a "Demand Notice") to require the Company to register under the Securities Act the number of Registrable Shares held by such Holder and requested by such Demand Notice to be so registered (a "Demand Registration"). A Demand Notice shall also specify the expected method or methods of disposition of the applicable Registrable Shares. Following receipt of a Demand Notice, the Company shall use its reasonable best efforts to file, as promptly as reasonably practicable, but not later than 60 days after receipt by the Company of such Demand Notice, a registration statement relating to the offer and sale of the Registrable Shares requested to be included therein by the Holders in accordance with the methods of distribution set forth in such Demand Notice and shall use its reasonable best efforts to cause such registration statement to be declared effective under the Securities Act as promptly as practicable after the filing thereof.

(c) No Holder may participate in any registration statement pursuant to Section 2.1.1(a) or (b) unless such Holder completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents and delivers all legal opinions reasonably required under the terms of such underwriting arrangements; provided, however, that no such Holder shall be required to make any representations or warranties in connection with any such registration other than representations and warranties as to (i) such Holder's ownership of his or its Registrable Shares to be transferred free and clear of all liens, claims, and encumbrances, (ii) such Holder's power and authority to effect such transfer, and (iii) such matters pertaining to compliance with securities laws as may be reasonably requested; provided, further, however, that the obligation of such Holder to indemnify pursuant to any such underwriting arrangements shall be several, not joint and several, among such Holders selling Registrable Shares, and the liability of each such Holder will be in proportion thereto, and provided, further, that such liability will be limited to the net amount received by such Holder from the sale of his or its Registrable Shares pursuant to such registration.

2.1.2 Deferral of Filing. The Company may defer the filing (but not the preparation) of a registration statement required by Section 2.1 until a date not later than ninety (90) days after the filing of the 2012 Form 20-F Date if at the time of the filing of the 2012 Form 20-F and for two weeks thereafter, the Company is engaged in confidential negotiations or other confidential business activities, disclosure of which would be required in such registration statement (but would not be required if such registration statement were not filed), and the Board of Directors of the Company or a committee of the Board of Directors of the Company determines in good faith that such disclosure would be materially detrimental to the Company and its shareholders. A deferral of the filing of a registration statement pursuant to this Section 2.1.2 shall be lifted, and the registration statement shall be filed forthwith, if the negotiations or other activities are disclosed or terminated. In order to defer the filing of a registration statement pursuant to this Section 2.1.2, the Company shall promptly (but in any event within ten (10) days), upon determining to seek such deferral, deliver to each Investor a certificate signed by an executive officer of the Company stating that the Company is deferring such filing pursuant to this Section 2.1.2 and a general statement

of the reason for such deferral and an approximation of the anticipated delay (subject to the execution of a confidentiality agreement if required by law or contract).

2.1.3 . Shelf Takedowns. In the event that the Company files a Shelf Registration Statement pursuant to Section 2.1.1 and such registration statement becomes effective, the Holders shall have the right at any time or from time to time to elect to sell their Registrable Shares in any manner described under "Plan of Distribution" in such registration statement, including pursuant to an underwritten offering of Registrable Shares available for sale pursuant to such registration statement ("Shelf Registrable Shares"). A Holder shall make such election with respect to an underwritten offering by delivering to the Company a written request (a "Shelf Underwriting Request") for such underwritten offering to the Company specifying the number of Shelf Registrable Shares that the Holder(s) desire(s) to sell pursuant to such underwritten offering (the "Shelf Underwriting"); provided that the Shelf Underwriting Request shall provide for the sale of no less than $10 million of Registrable Shares. As promptly as practicable, but no later than two (2) Business Days after receipt of a Shelf Underwriting Request, the Company shall give written notice (the "Shelf Underwriting Notice") of such Shelf Underwriting Request to all other Holders. The Company shall include in such Shelf Underwriting (x) the Registrable Shares of the Holder(s) making such Shelf Underwriting Request and (y) the Shelf Registrable Shares of any other Holder of Shelf Registrable Shares which shall have made a written request to the Company for inclusion in such Shelf Underwriting (which request shall specify the maximum number of Shelf Registrable Shares intended to be disposed of by such Holder) within five (5) days after the receipt of the Shelf Underwriting Notice. The Company shall, as expeditiously as possible (and in any event within 20 days after the receipt of a Shelf Underwriting Request) use its reasonable best efforts to facilitate such Shelf Underwriting. Notwithstanding the foregoing, if a Holder wishes to engage in an underwritten block trade off of a Shelf Registration Statement, then notwithstanding the foregoing time periods, the Holder only needs to notify the Company of the block trade Shelf Underwriting on the day such offering is to commence and the Company shall notify other Holders on the same day and other Holders must elect whether or not to participate on the day such offering is to commence, and the Company shall as expeditiously as possible use its reasonable best efforts to facilitate such Shelf Underwriting, provided that the Holder requesting such underwritten block trade shall use reasonable best efforts to work with the Company and the underwriters prior to making such request in order to facilitate preparation of the registration statement, prospectus supplement and other offering documentation related to the underwritten block trade. The Company shall, at the request of any Holder of Registrable Shares registered on such Shelf Registration Statement, file any prospectus supplement, any post-effective amendments and otherwise take any action necessary to include therein all disclosure and language deemed necessary or advisable by any Holder of Registrable Shares registered on such Shelf Registration Statement to effect such Shelf Underwriting. Once a Shelf Registration Statement has been declared effective, the Holders of Registrable Shares may request, and the Company shall facilitate, an unlimited number of Shelf Underwritings with respect to such Shelf Registration Statement. In connection with any Shelf Underwriting, the Company shall follow the applicable procedures set forth in Section 2.3.

2.1.4 Cutbacks. No securities to be sold for the account of the Company, or any other Person that is not a Holder, shall be included in a Shelf Underwriting or Demand Registration, as applicable, unless the managing underwriter or underwriters shall advise the Holders in writing that the inclusion of such securities will not adversely affect the price, timing or distribution of the offering or otherwise adversely affect its success (an "Adverse Effect"). Furthermore, if the managing underwriter or underwriters shall advise the Holders that, even after exclusion of all securities of other Persons pursuant to the immediately preceding sentence, the amount of Registrable Shares requested to be included in such Shelf Underwriting or Demand Registration, as applicable, by Holders is sufficiently large to cause an Adverse Effect, the Registrable Shares to be offered by such requesting Holders in the Shelf Underwriting or Demand Registration, as the case may be, shall be reduced pro rata such that each such Holder shall be permitted to include a number of Registrable Shares in the offering equal to (x) the maximum number of Registrable Shares that may be offered in such offering without causing an Adverse Effect multiplied by (y) a fraction, the numerator of which is the number of Registrable Shares proposed by such Holder to be included in the offering and the denominator of which is the total number of Registrable Shares proposed by all Holders to be included in such offering.

2.1.5 Selection of Underwriters. The Holders of a majority of the Registrable Securities being offered in connection with a Shelf Underwriting or Demand Registration, as applicable, shall select the underwriters for the offering.

2.2 Registration Procedures. The Company will use its reasonable best efforts to effect the registration and the sale of Registrable Shares in accordance with the intended method of disposition thereof as promptly as is practicable, and pursuant thereto the Company will as promptly as practicable:

(i) prepare and file with the SEC, pursuant to Section 2.1.1(a) or (b), as applicable, a registration statement on any appropriate form under the Securities Act with respect to such Registrable Shares (*provided* that a registration pursuant to Section 2.1.1(a) shall be effected pursuant to a Shelf Registration Statement), *provided* that as far in advance as practicable before filing such registration statement or any amendment thereto, the Company will furnish to the Investors copies of reasonably complete drafts of all such documents prepared to be filed (including exhibits), and any Investor shall have the opportunity to object to any information contained therein and the Company will make corrections reasonably requested by such Investor with respect to such information prior to filing any such registration statement or amendment;

(ii) prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective and to comply with the provisions of the Securities Act with respect to the disposition of all Registrable Shares subject thereto;

(iii) furnish to each seller of Registrable Shares and the underwriters of the securities being registered such number of copies of such registration statement, each amendment and supplement thereto, the prospectus included in such registration statement (including each preliminary prospectus), any documents incorporated by reference therein and such other documents as such seller or underwriters may reasonably request in order to facilitate the disposition of the Registrable Shares owned by such seller or the sale of such securities by such underwriters (it being understood that, subject to Section 2.3 and the requirements of the Securities Act and applicable state securities laws, the Company consents to the use of the prospectus and any amendment or supplement thereto by each seller and the underwriters in connection with the offering and sale of the Registrable Shares covered by the registration statement of which such prospectus, amendment or supplement is a part);

(iv) use its reasonable best efforts to register or qualify such Registrable Shares under such other securities or blue sky laws of such jurisdictions as the managing underwriter reasonably requests (or, in the event the registration statement does not relate to an underwritten offering, as the holders of a majority of such Registrable Shares may reasonably request); and do any and all other acts and things which may be reasonably necessary or advisable to enable each seller to consummate the disposition of the Registrable Shares owned by such seller in such jurisdictions (*provided*, *however*, that the Company will not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph or (B) consent to general service of process in any such jurisdiction);

(v) promptly notify each Investor and confirm such notice in writing (A) when a prospectus or any prospectus supplement or post-effective amendment has been filed and, with respect to a registration statement or any post-effective amendment, when the same has become effective, (B) of the issuance by any state securities or other regulatory authority of any order suspending the qualification or exemption from qualification of any of the Registrable Shares under state securities or "blue sky" laws or the initiation of any proceedings for that purpose, and (C) of the happening of any event which makes any statement made in a registration statement or related prospectus untrue or which requires the making of any changes in such registration statement, prospectus or documents so that they will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and, as promptly as practicable thereafter, prepare and file with the SEC and furnish a supplement or amendment to such prospectus so that, as thereafter deliverable to the purchasers of such Registrable Shares, such prospectus will not contain any untrue statement of a material fact or omit a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(vi) make reasonably available members of management of the Company, as selected by the Holders of a majority of the Registrable Shares included in such registration, for assistance in the selling

effort relating to the Registrable Shares covered by such registration, including, but not limited to, the participation of such members of the Company's management in road show presentations;

(vii) otherwise use its reasonable best efforts to comply with all applicable rules and regulations of the SEC, including the Securities Act and the Exchange Act and the rules and regulations promulgated thereunder, and make generally available to the Company's security holders an earnings statement satisfying the provisions of Section 11(a) of the Securities Act no later than thirty (30) days after the end of the twelve (12) month period beginning with the first day of the Company's first fiscal quarter commencing after the effective date of a registration statement, which earnings statement shall cover said twelve (12) month period, and which requirement will be deemed to be satisfied if the Company timely files complete and accurate information on Forms 20-F and 6-K under the Exchange Act and otherwise complies with Rule 158 under the Securities Act;

(viii) if requested by the managing underwriter or any seller promptly incorporate in a prospectus supplement or post-effective amendment such information as the managing underwriter or any seller reasonably requests to be included therein, including, without limitation, with respect to the Registrable Shares being sold by such seller, the purchase price being paid therefor by the underwriters and with respect to any other terms of the underwritten offering of the Registrable Shares to be sold in such offering, and promptly make all required filings of such prospectus supplement or post-effective amendment;

(ix) cooperate with the sellers and the managing underwriter to facilitate the timely preparation and delivery of certificates (which shall not bear any restrictive legends unless required under applicable law) representing securities sold under any registration statement, and enable such securities to be in such denominations and registered in such names as the managing underwriter or such sellers may request and keep available and make available to the Company's transfer agent prior to the effectiveness of such registration statement a supply of such certificates;

(x) promptly make available for inspection by any seller, any underwriter participating in any disposition pursuant to any registration statement, and any attorney, accountant or other agent or representative retained by any such seller or underwriter (collectively, the "Inspectors"), all financial and other records, pertinent corporate documents and properties of the Company (collectively, the "Records"), as shall be reasonably necessary to enable them to exercise their due diligence responsibility, and cause the Company's officers, directors and employees to supply all information requested by any such Inspector in connection with such registration statement; *provided*, *however*, that, unless the disclosure of such Records is necessary to avoid or correct a misstatement or omission in the registration statement or the release of such Records is ordered pursuant to a subpoena or other order from a court of competent jurisdiction, the Company shall not be required to provide any information under this subparagraph (x) if (A) the Company believes, after consultation with counsel for the Company, that to do so would cause the Company to forfeit an attorney-client privilege that was applicable to such information or (B) if either (1) the Company has requested and been granted from the SEC confidential treatment of such information contained in any filing with the SEC or documents provided supplementally or otherwise or (2) the Company reasonably determines in good faith that such Records are confidential and so notifies the Inspectors in writing, unless prior to furnishing any such information with respect to clause (B) such Holder of Registrable Shares requesting such information agrees to enter into a confidentiality agreement in customary form and subject to customary exceptions; and *provided*, *further*, that each Holder of Registrable Shares agrees that it will, upon learning that disclosure of such Records is sought in a court of competent jurisdiction, give notice to the Company and allow the Company, at its expense, to undertake appropriate action and to prevent disclosure of the Records deemed confidential;

(xi) furnish to each seller and underwriter a signed counterpart of (A) an opinion or opinions of counsel to the Company, and (B) a comfort letter or comfort letters from the Company's independent public accountants, each in customary form and covering such matters of the type customarily covered by opinions or comfort letters, as the case may be, as the sellers or managing underwriter reasonably requests;

(xii) use its reasonable best efforts to cause the Registrable Shares included in any registration statement to be listed on each securities exchange, if any, on which similar securities issued by the Company are then listed;

(xiii) provide a transfer agent and registrar for all Registrable Shares registered hereunder;

(xiv) cooperate with each seller and each underwriter participating in the disposition of such Registrable Shares and their respective counsel in connection with any filings required to be made with the Financial Industry Regulatory Authority ("FINRA");

(xv) during the period when the prospectus is required to be delivered under the Securities Act, promptly file all documents required to be filed with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act;

(xvi) notify each seller of Registrable Shares promptly of any request by the SEC for the amending or supplementing of such registration statement or prospectus or for additional information;

(xvii) enter into such agreements (including underwriting agreements in the managing underwriter's customary form) as are customary in connection with an underwritten registration; and

(xviii) advise each seller of such Registrable Shares, promptly after it shall receive notice or obtain knowledge thereof, of the issuance of any stop order by the SEC suspending the effectiveness of such registration statement or the initiation or threatening of any proceeding for such purpose and promptly use its reasonable best efforts to prevent the issuance of any stop order or to obtain its withdrawal at the earliest possible moment if such stop order should be issued.

2.3 Suspension of Dispositions. Each Holder agrees by acquisition of any Registrable Shares that, upon receipt of any notice (a "Suspension Notice") from the Company of the happening of any event of the kind described in Section 2.2(v)(C) such Holder will forthwith discontinue disposition of Registrable Shares until such Holder's receipt of the copies of the supplemented or amended prospectus, or until it is advised in writing (the "Advice") by the Company that the use of the prospectus may be resumed, and has received copies of any additional or supplemental filings which are incorporated by reference in the prospectus, and, if so directed by the Company, such Holder will deliver to the Company all copies, other than permanent file copies then in such Holder's possession, of the prospectus covering such Registrable Shares current at the time of receipt of such notice. The Company shall use its reasonable best efforts and take such actions as are reasonably necessary to render the Advice as promptly as practicable.

2.4 Registration Expenses. All fees and expenses incident to any registration statement including, without limitation, the Company's performance of or compliance with this Article 2, all registration and filing fees, all fees and expenses associated with filings required to be made with FINRA, as may be required by the rules and regulations of FINRA, fees and expenses of compliance with securities or "blue sky" laws (including reasonable fees and disbursements of counsel in connection with "blue sky" qualifications of the Registrable Shares), rating agency fees, printing expenses (including expenses of printing certificates for the Registrable Shares in a form eligible for deposit with the Depository Trust Company and of printing prospectuses if the printing of prospectuses is requested by a Holder of Registrable Shares), messenger and delivery expenses, the fees and expenses incurred in connection with any listing or quotation of the Registrable Shares, fees and expenses of counsel for the Company and its independent certified public accountants (including the expenses of any special audit or "cold comfort" letters required by or incident to such performance), the fees and expenses of any special experts retained by the Company in connection with such registration, and the fees and expenses of other persons retained by the Company, will be borne by the Company (unless paid by a security holder that is not a Holder for whose account the registration is being effected) whether or not any registration statement becomes effective; *provided*, *however*, that any underwriting discounts, commissions, or fees attributable to the sale of the Registrable Shares will be borne by the Holders pro rata on the basis of the number of shares so registered and the fees and expenses of any counsel, accountants, or other persons retained or employed by any Holder will be borne by such Holder.

2.5 Indemnification.

2.5.1 The Company agrees to indemnify and reimburse, to the fullest extent permitted by law, each seller of Registrable Shares, and each of its employees, advisors, agents, representatives, partners, officers, and directors and each Person who controls such seller (within the meaning of the Securities Act or the Exchange Act) and any agent or investment advisor thereof (collectively, the "Seller Affiliates") (A) against any and all losses, claims, damages, liabilities, and expenses, joint or several (including, without limitation, attorneys' fees and disbursements except as limited by Section 2.5.3) based upon, arising out of, related to or resulting from any untrue or alleged untrue statement of a material fact contained in any registration statement, prospectus, preliminary prospectus, issuer free writing prospectus (as such term is defined in Rule 433 of the Securities Act) or any amendment thereof or supplement thereto, or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, (B) against any and all loss, liability, claim, damage, and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation or investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon, arising out of, related to or resulting from any such untrue statement or omission or alleged untrue statement or omission, and (C) against any and all costs and expenses (including reasonable fees and disbursements of counsel) as may be reasonably incurred in investigating, preparing, or defending against any litigation, or investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon, arising out of, related to or resulting from any such untrue statement or omission or alleged untrue statement or omission, or such violation of the Securities Act or Exchange Act, to the extent that any such expense or cost is not paid under subparagraph (A) or (B) above; except insofar as any such statements are made in reliance upon and in strict conformity with information furnished in writing to the Company by such seller or any Seller Affiliate for use therein or arise from such seller's or any Seller Affiliate's failure to deliver a copy of the registration statement or prospectus or any amendments or supplements thereto after the Company has furnished such seller or Seller Affiliate with a sufficient number of copies of the same. The reimbursements required by this Section 2.5.1 will be made by periodic payments during the course of the investigation or defense, as and when bills are received or expenses incurred.

2.5.2 In connection with any registration statement in which a seller of Registrable Shares is participating, each such seller will furnish to the Company in writing such information and affidavits as the Company reasonably requests for use in connection with any such registration statement or prospectus and, to the fullest extent permitted by law, each such seller will indemnify the Company and each of its employees, advisors, agents, representatives, partners, officers and directors and each Person who controls the Company (within the meaning of the Securities Act or the Exchange Act) and any agent or investment advisor thereof against any and all losses, claims, damages, liabilities, and expenses (including, without limitation, reasonable attorneys' fees and disbursements except as limited by Section 2.5.3) resulting from any untrue statement or alleged untrue statement of a material fact contained in the registration statement, prospectus, or any preliminary prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that such untrue statement or alleged untrue statement or omission or alleged omission is contained in any information or affidavit so furnished in writing by such seller or any of its Seller Affiliates specifically for inclusion in the registration statement; provided that the obligation to indemnify will be several, not joint and several, among such sellers of Registrable Shares, and the liability of each such seller of Registrable Shares will be in proportion to, and will be limited to, the net amount received by such seller from the sale of Registrable Shares pursuant to such registration statement; provided, however, that such seller of Registrable Shares shall not be liable in any such case to the extent that prior to the filing of any such registration statement or prospectus or amendment thereof or supplement thereto, such seller has furnished in writing to the Company information expressly for use in such registration statement or prospectus or any amendment thereof or supplement thereto which corrected or made not misleading information previously furnished to the Company.

2.5.3 Any Person entitled to indemnification hereunder will (A) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that the failure to give such notice shall not limit the rights of such Person) and (B) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party; provided, however, that any person entitled to indemnification hereunder shall have the right to employ separate counsel and to participate in the defense of such claim, but the fees and expenses of such counsel

shall be at the expense of such person unless (X) the indemnifying party has agreed to pay such fees or expenses, or (Y) the indemnifying party shall have failed to assume the defense of such claim and employ counsel reasonably satisfactory to such person. If such defense is not assumed by the indemnifying party as permitted hereunder, the indemnifying party will not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent will not be unreasonably withheld). If such defense is assumed by the indemnifying party pursuant to the provisions hereof, such indemnifying party shall not settle or otherwise compromise the applicable claim unless (1) such settlement or compromise contains a full and unconditional release of the indemnified party or (2) the indemnified party otherwise consents in writing. An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim will not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party, a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim, in which event the indemnifying party shall be obligated to pay the reasonable fees and disbursements of such additional counsel or counsels.

2.5.4 Each party hereto agrees that, if for any reason the indemnification provisions contemplated by Section 2.5.1 or Section 2.5.2 are unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, claims, damages, liabilities, or expenses (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, liabilities, or expenses (or actions in respect thereof) in such proportion as is appropriate to reflect the relative fault of the indemnifying party and the indemnified party in connection with the actions which resulted in the losses, claims, damages, liabilities or expenses as well as any other relevant equitable considerations. The relative fault of such indemnifying party and indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by such indemnifying party or indemnified party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 2.5.4 were determined by pro rata allocation (even if the Holders or any underwriters or all of them were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 2.5.4. The amount paid or payable by an indemnified party as a result of the losses, claims, damages, liabilities, or expenses (or actions in respect thereof) referred to above shall be deemed to include any legal or other fees or expenses reasonably incurred by such indemnified party in connection with investigating or, except as provided in Section 2.5.3, defending any such action or claim. Notwithstanding the provisions of this Section 2.5.4, no Holder shall be required to contribute an amount greater than the dollar amount by which the net proceeds received by such Holder with respect to the sale of any Registrable Shares exceeds the amount of damages which such Holder has otherwise been required to pay by reason of any and all untrue or alleged untrue statements of material fact or omissions or alleged omissions of material fact made in any registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto related to such sale of Registrable Shares. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Holders' obligations in this Section 2.5.4 to contribute shall be several in proportion to the amount of Registrable Shares registered by them and not joint.

If indemnification is available under this Section 2.5, the indemnifying parties shall indemnify each indemnified party to the full extent provided in Section 2.5.1 and Section 2.5.2 without regard to the relative fault of said indemnifying party or indemnified party or any other equitable consideration provided for in this Section 2.5.4 subject, in the case of the Holders, to the limited dollar amounts set forth in Section 2.5.2.

2.5.5 The indemnification and contribution provided for under this Agreement will remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director, or controlling Person of such indemnified party and will survive the transfer of securities.

2.6 Transfer of Registration Rights. The rights of each Holder under this Agreement may be assigned to any direct or indirect transferee of a Holder who agrees in writing to be subject to and bound by all the terms and conditions of this Agreement.

2.7 Rule 144. The Company will file the reports required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the SEC thereunder (or, if the Company is not required to file such reports, will, upon the request of the Holders, make publicly available other information) and will take such further action as the Holders may reasonably request, all to the extent required from time to time to enable the Holders to sell Registrable Shares without registration under the Securities Act within the limitation of the exemptions provided by (i) Rule 144 under the Securities Act, as such rule may be amended from time to time or (ii) any similar rule or regulation hereafter adopted by the SEC. Upon the reasonable request of any Holder, the Company will deliver to such parties a written statement as to whether it has complied with such requirements and will, at its expense, forthwith upon the request of any such Holder, deliver to such Holder a certificate, signed by the Company's principal financial officer, stating (a) the Company's name, address and telephone number (including area code), (b) the Company's Internal Revenue Service identification number, (c) the Company's SEC file number, (d) the number of shares of each class of capital stock outstanding as shown by the most recent report or statement published by the Company, and (e) whether the Company has filed the reports required to be filed under the Exchange Act for a period of at least ninety (90) days prior to the date of such certificate and in addition has filed the most recent annual report required to be filed thereunder.

2.8 Preservation of Rights. The Company will not (i) grant any registration rights to third parties which are inconsistent with the rights granted hereunder or (ii) enter into any agreement, take any action, or permit any change to occur, with respect to its securities that violates or subordinates the rights expressly granted to the Holders in this Agreement. The Company hereby represents and warrants to each Holder that, as of the date hereof, no Person has any rights to require the Company to register any Shares or other equity securities of the Company under the Securities Act, except for the Holders pursuant to this Agreement.

ARTICLE 3

TERMINATION

3.1 Termination. The Company's obligation to maintain the effectiveness of any registration statement hereunder shall cease to apply to any particular Registrable Shares when: (a) a registration statement with respect to the sale of such Registrable Shares (or other securities) shall have become effective under the Securities Act and such Registrable Shares shall have been disposed of in accordance with such registration statement; (b) such Registrable Shares (or other securities) shall have been sold to the public pursuant to Rule 144 under the Securities Act (or any successor provision); or (c) such Registrable Shares (or other securities) shall have ceased to be outstanding. The Company shall promptly upon the request of any Holder furnish to such Holder evidence of the number of Registrable Shares then outstanding.

ARTICLE 4

MISCELLANEOUS

4.1 Notices. Any notice or other communication required or permitted to be provided hereunder shall be in writing and shall be delivered in person or by first class mail (registered or certified, return receipt requested), facsimile, or overnight air courier guaranteeing next day delivery, to such address as the recipient shall most recently have designated in writing or, if no such designation has been made, to the following address:

If to the Company:

Fly Leasing Limited
West Pier
Dun Laoghaire
County Dublin, Ireland
Facsimile: +353 1 231 1901
Attention: Chief Executive Officer

with a copy to:

Jones Day
222 East 41st Street
New York, New York 10017
Facsimile: +1 (212) 755-7306
Attention: Boris Dolgonos, Esq.

If to the Summit Investor:

Summit Aviation Partners LLC
50 California Street, 14th Floor
San Francisco, CA 94111
Facsimile: (415) 618-3337
Attention: General Counsel

and

Summit Aviation Management Co., Ltd.
c/o Maples Corporate Services Limited
PO Box 309, Ugland House
Grand Cayman KY1-1104
Cayman Islands
Facsimile: (345) 949-8080
Attention: Director

With a copy to:

Davis Polk & Wardwell LLP
1600 El Camino Real
Menlo Park, CA 94025
Facsimile: (650) 752-3601
Attention: Daniel G. Kelly, Jr.

If to the Onex Investors:

c/o Onex Partners Advisor LP
161 Bay Street
Toronto, ON M5J 2 S1
Attention: Tawfiq Popatia

With a copy to:

Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, New York 10004
Facsimile: (212) 859-4000
Attention: Christopher Ewan and David Shaw

If to any other Holder, the address indicated for such Holder in the Company's stock transfer records with copies, so long as Investor owns any Registrable Shares, to the Investors as provided above.

All notices and communications (other than those sent to Holders) shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five calendar days after being deposited in the mail, postage

prepaid, if mailed; when answered back, if telexed; when receipt acknowledged, if telecopied; and the next business day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery.

Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.

4.2 Compliance. Each Holder covenants and agrees that it will comply with the prospectus delivery requirements of the Securities Act as applicable to it in connection with sales of Registrable Shares pursuant to the registration statement.

4.3 Authority. Each of the parties hereto represents to the other that (i) it has the corporate power and authority to execute, deliver and perform this Agreement, (ii) the execution, delivery and performance of this Agreement by it has been duly authorized by all necessary corporate action and no such further action is required, (iii) it has duly and validly executed and delivered this Agreement, and (iv) this Agreement is a legal, valid and binding obligation, enforceable against it in accordance with its terms subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and general equity principles.

4.4 Governing Law; Jury Trial. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of New York without regard to choice of laws or conflict of laws provisions thereof that would require the application of the laws of any other jurisdiction. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in The City of New York, Borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address for such notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.

4.5 Successors and Assigns. Except as otherwise expressly provided herein, this Agreement shall be binding upon and benefit the Company, each Holder, and their respective successors and assigns. In the event of any merger, consolidation, reorganization, business combination or similar transaction affecting the Company in which the Company is not the surviving entity, it shall be a condition to such merger, consolidation, reorganization, business combination or other transaction that the successor entity to the Company assume the Company's obligations under this Agreement.

4.6 Severability. If any provision of this Agreement shall be invalid, unenforceable, illegal or void in any jurisdiction, such invalidity, unenforceability, illegality or voidness shall not affect the validly or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of any provision of this Agreement in any other jurisdiction. In that case, the parties hereto shall use their reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such provision. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining provisions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

4.7 Remedies. In the event of a breach by the Company or by a Holder of any of their obligations under this Agreement, each Holder or the Company, as the case may be, in addition to being entitled to exercise all rights granted by law and under this Agreement, including recovery of damages, will be entitled to specific performance of its rights under this Agreement. The Company and each Holder agree that monetary damages would not provide adequate compensation for any losses incurred by reason of a breach by it of any of the provisions of this Agreement and hereby further agree that, in the event of any action for specific performance in respect of such breach, it shall

waive the defense that a remedy at law would be adequate. In addition, the remedies provided herein are cumulative and not exclusive of any remedies provided by law.

4.8 Waivers. The observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) by the party entitled to enforce such term, but such waiver shall be effective only if it is in a writing signed by the party against whom the existence of such waiver is asserted. Unless otherwise expressly provided in this Agreement, no delay or omission on the part of any party in exercising any right or privilege under this Agreement shall operate as a waiver thereof, nor shall any waiver on the part of any party of any right or privilege under this Agreement operate as a waiver of any other right or privilege under this Agreement nor shall any single or partial exercise of any right or privilege preclude any other or further exercise thereof or the exercise of any other right or privilege under this Agreement. No failure by either party to take any action or assert any right or privilege hereunder shall be deemed to be a waiver of such right or privilege in the event of the continuation or repetition of the circumstances giving rise to such right unless expressly waived in writing by the party against whom the existence of such waiver is asserted.

4.9 Amendment. This Agreement may not be amended or modified in any respect except by a written agreement signed by the Company and the Holders of a majority of the then outstanding Registrable Shares.

4.10 Entire Agreement. This Agreement supersedes all other prior oral or written agreements among the parties hereto and persons acting on their behalf with respect to the matters discussed herein, and this Agreement and the instruments referenced herein contain the entire understanding of the parties with respect to the matters covered herein and therein and, except as specifically set forth herein or therein, none of the parties hereto makes any representation, warranty, covenant or undertaking with respect to such matters.

4.11 Headings. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement.

4.12 Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same Agreement. In the event that any signature is delivered by facsimile transmission, such signature shall create a valid binding obligation of the party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such facsimile signature were the original thereof.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first written above.

FLY LEASING LIMITED

By: /s/ Colm Barrington
Name: Colm Barrington
Title: Chief Executive Officer

[Signature Page to Registration Rights Agreement]

SUMMIT AVIATION PARTNERS LLC

By: /s/ Robert S. Tomczak
Name: Robert S. Tomczak
Title: Vice President

[Signature Page to Registration Rights Agreement]

ONEX CORPORATION

By: /s/ Christopher A. Govan
Name: Christopher A. Govan
Title: Managing Director

By: /s/ Christine M. Donaldson
Name: Christine M. Donaldson
Title: Vice President, Finance

NEW PCO INVESTMENT LTD.

By: /s/ Christopher A. Govan
Name: Christopher A. Govan
Title: Vice President

By: /s/ Lori Shapiro
Name: Lori Shapiro
Title: Vice President

ONEX PARTNERS III GP LP

By: Onex Partners GP Inc., its General Partner

By /s/ Robert M. Le Blanc
Name: Robert M. Le Blanc
Title: President

By /s/ Donald F. West
Name: Donald F. West
Title: Vice President

ONEX US PRINCIPALS LP

By: Onex American Holdings GP LLC, its General Partner

By: /s/ Donald F. West
Name: Donald F. West
Title: Director

[Signature Page to Registration Rights Agreement]

ONEX PARTNERS III PV LP

By: Onex Partners III GP LP, its

General Partner

By: Onex Partners Manager LP, its

Agent

By: Onex Partners Manager GP

ULC, its General Partner

By: /s/ Robert M. Le Blanc
Name: Robert M. Le Blanc
Title: Managing Director

By: /s/ Donald F. West
Name: Donald F. West
Title: Vice President and

Secretary

[Signature Page to Registration Rights Agreement]

ONEX PARTNERS III SELECT LP

By: Onex Partners III GP LP, its

General Partner

By: Onex Partners Manager LP, its

Agent

By: Onex Partners Manager GP

ULC, its General Partner

By: /s/ Robert M. Le Blanc
Name: Robert M. Le Blanc
Title: Managing Director

By: /s/ Donald F. West
Name: Donald F. West
Title: Vice President and

Secretary

[Signature Page to Registration Rights Agreement]

ONEX PARTNERS III LP

By: Onex Partners III GP LP, its

General Partner

By: Onex Partners Manager LP, its

Agent

By: Onex Partners Manager GP

ULC, its General Partner

By: /s/ Robert M. Le Blanc
Name: Robert M. Le Blanc
Title: Managing Director

By: /s/ Donald F. West
Name: Donald F. West
Title: Vice President and

Secretary

[Signature Page to Registration Rights Agreement]

Exhibit 2

FLY LEASING LIMITED

SECURITIES PURCHASE AGREEMENT

November 30, 2012

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SCHEDULES AND EXHIBITS

SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement (this "Agreement") is made as of the 30th day of November, 2012, by and among Fly Leasing Limited, a Bermuda exempted company (the "Company"), the Persons set forth on Schedule I hereto under the heading "Onex Investors" (each, an "Onex Investor" and collectively, the "Onex Investors"), and Summit Aviation Partners LLC, a Delaware limited liability company ("Summit") (each of the Onex Investors and Summit, an "Investor" and, collectively, the "Investors"). Certain capitalized terms used but not otherwise defined in this Agreement have the respective meanings set forth in Exhibit A hereto.

W I T N E S S E T H:

WHEREAS, the Company desires to sell, and the Investors desire to purchase, severally and not jointly, American Depositary Shares (each, an "ADS" and collectively, "ADSs") representing the Company's common shares, par value $0.001 per share ("Common Shares"), on the terms and subject to the conditions contained herein;

WHEREAS, in connection with such sale and purchase, the Company is willing to make certain representations and warranties and to agree to observe certain covenants set forth herein for the benefit of the Investors, and the Investors will rely on such representations, warranties and covenants as a material inducement to their purchase of the Shares (as defined below); and

WHEREAS, in connection with such sale and purchase, the Investors are willing to make certain representations and warranties set forth herein for the benefit of the Company, and the Company will rely on such representations and warranties as a material inducement to its sale of the Shares.

NOW THEREFORE, in consideration of the premises and of the respective representations, warranties, covenants and conditions contained herein, the parties hereto agree as follows:

1. Purchase and Sale of Shares.

1.1. Sale and Issuance of Shares. Subject to the terms and conditions of this Agreement, each Investor hereby agrees, severally and not jointly, to purchase at the Closing, and the Company hereby agrees to sell and issue to the Investors at the Closing, that number of ADSs set forth opposite such Investor's name on Schedule I hereto, at a purchase price of $11.41 per ADS. The ADSs to be issued and sold by the Company to the Investors pursuant to this Agreement are collectively referred to herein as the "Shares".

1.2. Closing. The consummation of the purchase and sale of the Shares and other transactions contemplated hereby (the "Closing") shall take place at the offices of Fried, Frank, Harris, Shriver & Jacobson LLP, One New York Plaza, New York, New York 10004, at 9:00 a.m. New York City time, on the third Business Day following the satisfaction or waiver of all conditions to the Closing set forth in Sections 4, 5 and 6 have been satisfied or waived (other than those conditions that by their nature are to be satisfied by actions taken at the Closing), or at such other time and place as the Company and the Investors may mutually agree. At the

Closing, the Company shall sell, assign, transfer and deliver to each of the Investors, and each Investor shall purchase from the Company, that number of Shares set forth opposite such Investor's name on Schedule I hereto, free and clear of all Encumbrances, against payment of the purchase price therefor by wire transfer of immediately available funds. At the Closing, the Company shall deliver to each of the Investors a certificate or certificates representing the Shares being purchased by such Investor.

2. Representations and Warranties of the Company. The Company hereby represents and warrants to the Investors as of the date hereof and as of the Closing Date that, except (x) as otherwise disclosed or incorporated by reference in the Company's Annual Report on Form 20-F for the fiscal year ended December 31, 2011 or its other reports and forms filed with or furnished to the Securities and Exchange Commission (the "Commission") under Sections 12, 13, 14 or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") after December 31, 2011 (excluding disclosures of risks included in any forward−looking statement disclaimers or other statements that are similarly nonspecific and are predictive and forward−looking in nature) and before the date of this Agreement (all such reports covered by this clause (x) collectively, the "SEC Reports") and (y) as set forth in the disclosure letter dated as of the date hereof provided to the Investors separately, specifically identifying the relevant subparagraph(s) hereof (provided, that disclosure in any subparagraph of such disclosure letter shall apply to any section or subparagraph hereof to the extent it is reasonably apparent on its face that such disclosure is relevant to such section or subparagraph of this Agreement):

2.1. Organization, Good Standing and Qualification. Each of the Company and its Subsidiaries is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization; has all corporate or other organizational power and authority to own its properties and conduct its business as presently conducted; and is duly qualified to do business and in good standing in each and every jurisdiction where its business requires such qualification, except where failure to qualify would not have, and would not reasonably be expected to have, a Material Adverse Effect. True and accurate copies of the Company's Memorandum of Association and Amended and Restated Bye-Laws, each as amended and in effect as of the date hereof, have been made available to the Investors (collectively, the "Organizational Documents").

2.2. Financial Statements.

(a) The financial statements of the Company and its Subsidiaries on a consolidated basis for each of the periods included or incorporated by reference in the SEC Reports fairly present in all material respects, in accordance with Generally Accepted Accounting Principles, the financial condition, results of operations, cash flows and shareholders' equity of the Company and its Subsidiaries on a consolidated basis as of the dates and for the periods indicated (subject, in the case of unaudited quarterly statements, to normal year-end adjustments).

(b) The Company and its Subsidiaries do not have any liabilities or obligations (whether known or unknown, absolute or contingent, accrued or unaccrued, due or to become due, vested or unvested, executory, determined, determinable or otherwise and whether or not the same is required to be accrued on the financial statements of the Company and its

Subsidiaries, on a consolidated basis, or any of them), other than liabilities or obligations (i) reflected on, reserved against, or disclosed in the notes to, the Company's consolidated balance sheet included in the Company's interim report for the fiscal quarter ended September 30, 2012 included in the Company's Report on Form 6-K filed on November 14, 2012 (the "Latest Interim Report"), except such liabilities or obligations that would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect.

2.3. Authorization; Enforceable Agreement.

(a) All organizational action on the part of the Company, its officers, directors, and shareholders necessary for the authorization, execution, and delivery of this Agreement, the performance of all obligations of the Company hereunder, and the authorization, issuance, sale, and delivery of the Shares being sold hereunder has been taken, and this Agreement and the Registration Rights Agreement to be entered into at Closing, when executed and delivered, assuming due authorization, execution and delivery by the Investors, constitutes and will constitute valid and legally binding obligations of the Company, enforceable in accordance with their respective terms, subject to: (i) laws limiting the availability of specific performance, injunctive relief, and other equitable remedies; and (ii) bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect generally relating to or affecting creditors' rights generally (the "Enforceability Exceptions"). The sale of the Shares is not subject to any preemptive rights or rights of first offer.

(b) No provision of the Organizational Documents would, directly or indirectly, restrict or impair the ability of the Investors to vote, or otherwise to exercise the rights of a shareholder with respect to, the Shares or any other shares of the Company that may be acquired or controlled by the Investors.

2.4. Indebtedness. Neither the Company nor any of its Subsidiaries is, immediately prior to this Agreement, or will be, at the time of the Closing after giving effect thereto, in default in the payment of any material Indebtedness or in default under any agreement relating to its material Indebtedness or under any material mortgage, deed of trust, security agreement or lease to which it is a party.

2.5. Litigation. There is no action, suit, proceeding or investigation pending or, to the Knowledge of the Company, threatened, against the Company or any of its Subsidiaries before or by any Governmental Authority or arbitral body which in the aggregate have, or if adversely determined, would reasonably be expected to have, a Material Adverse Effect. There is no outstanding judgment, order, writ, injunction or decree of any Governmental Authority against any of the Company or any of its Subsidiaries, or to which the assets of the Company or any of its Subsidiaries is subject or bound, and neither the Company nor any of its Subsidiaries is in default with respect to any judgment, order, writ, injunction or decree of any Governmental Authority. There is no material action, suit, or proceeding by the Company currently pending or that the Company intends to initiate.

2.6. Title. Each of the Company and its Subsidiaries has good and marketable title to, or a valid leasehold interest in, its Property that is real property, and good and valid title to, or a valid leasehold interest in, all of its other Property, free and clear of all Encumbrances

except for Permitted Encumbrances, except as would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect.

2.7. Taxes. Each of the Company and its Subsidiaries has filed all material tax returns required to have been filed (which returns have been true, correct, and complete in all material respects) and paid all taxes shown thereon to be due, except those for which extensions have been obtained and except for those which are being contested in good faith and by appropriate proceedings and in respect of which adequate reserves with respect thereto are maintained in accordance with Generally Accepted Accounting Principles. As of the date of this Agreement, there are not pending or, to the Knowledge of the Company, threatened in writing, any material audits, examinations, investigations or other proceedings in respect of taxes of the Company or any of its Subsidiaries.

2.8. Governmental Consents. No consent, approval, order, or authorization of, or registration, qualification, declaration, or filing with, any Governmental Authority on the part of the Company or any Affiliate thereof is required in connection with the offer, sale, or issuance of the Shares or the consummation of any other transaction contemplated hereby, except (i) such filings required under applicable securities or "blue sky" laws of the states of the United States or (ii) as may be required under the Securities Act of 1933, as amended (the "Securities Act") or the Exchange Act. Assuming that the representations of the Investors set forth in Section 3 below are true and correct, the offer, sale, and issuance of the Shares in conformity with the terms of this Agreement are exempt from the registration requirements of Section 5 of the Securities Act of 1933, as amended (the "Securities Act"), and all applicable state securities laws, and neither the Company nor any authorized agent acting on its behalf will take any action hereafter that would cause the loss of such exemptions.

2.9. Permits and Licenses. The Company and each of its Subsidiaries possess all permits and licenses of Governmental Authorities that are required to conduct its business, except for such permits or licenses the absence of which would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect.

2.10. Valid Issuance of Shares. The Shares being purchased by the Investors hereunder, when issued, sold, and delivered in accordance with the terms of this Agreement for the consideration expressed herein, will be duly and validly authorized and issued, will be fully paid and nonassessable, will not be issued in violation of any preemptive or similar rights, and will be free and clear of all Encumbrances (including any restrictions on transfer), other than restrictions under applicable state and federal securities laws.

2.11. Capitalization. The authorized capital stock of the Company consists of 499,999,900 Common Shares, of which 25,769,115 were issued and outstanding as of September 30, 2012. As of September 30, 2012, the Company had reserved an aggregate of 1,500,000 Common Shares for issuance pursuant to the Company's 2010 Omnibus Incentive Plan, under which (i) no options to purchase Common Shares were outstanding, (ii) 892,004 stock appreciation rights had been issued and were outstanding, (iii) 364,144 restricted stock units had been issued and were outstanding, and (iv) no Common Shares were available for future grant. All issued and outstanding Common Shares have been duly authorized and validly issued and are fully paid and nonassessable. Other than as provided in this Agreement and the Company's 2010

Omnibus Incentive Plan, there are no other outstanding rights, options, warrants, preemptive rights, rights of first offer, or similar rights for the purchase or acquisition from the Company or any Subsidiary thereof of any securities of the Company or any Subsidiary thereof, nor are there any commitments to issue or execute any such rights, options, warrants, preemptive rights or rights of first offer. There are no outstanding rights or obligations of the Company or any Subsidiary thereof to repurchase or redeem any of its securities. The rights, preferences, privileges, and restrictions of the Common Shares are as stated in the Organizational Documents. All outstanding securities of the Company and its Subsidiaries have been issued in compliance with state and federal securities laws.

2.12. Investment Company Act. Neither the Company nor any of its Subsidiaries is an investment company within the meaning of the Investment Company Act of 1940, as amended, or, directly or indirectly, controlled by or acting on behalf of any Person which is an investment company, within the meaning of said Act.

2.13. No Default or Violation. The Company is not in violation or default of any provision of the Organizational Documents, each as amended and in effect as of the Closing. The execution, delivery, and performance of and compliance with this Agreement and the Registration Rights Agreement and the issuance and sale of the Shares will not (x) result in any default or violation of the Organizational Documents, (y) result in any default or violation of any agreement relating to any material Indebtedness of the Company or any of its Subsidiaries or under any material mortgage, deed of trust, security agreement or lease to which any of them is a party, or in any default or violation of any judgment, order or decree of any Governmental Authority applicable to the Company or any of its Subsidiaries or the assets or properties of any of them, or (z) result in (1) a violation or breach of, conflict with, termination of, contravention with or default under (or give rise to any right of termination, cancellation, payment or acceleration) any of the terms, conditions or provisions of, any material contract, agreement or arrangement to which any of the Company or its Subsidiaries is a party, or by which any of their respective properties or assets may be bound, or (2) the creation of any Encumbrance (other than Permitted Encumbrances) upon the properties or assets of the Company or any of its Subsidiaries, except in the case of clauses (y) and (z), as would not have, and would not reasonably be expected to have, a Material Adverse Effect.

2.14. Compliance with Laws. Neither the Company nor any of its Subsidiaries is in violation of any applicable federal, state, local, foreign or other law, statute, regulation, rule, ordinance, code, convention, directive, order, judgment or other legal requirement (collectively, "Laws") of any Governmental Authority, except where such violation would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of its Subsidiaries is being investigated with respect to or given notice of, or, to the Knowledge of the Company, been threatened to be charged with, any violation of any applicable Law, except for such of the foregoing as would not, individually or in the aggregate, have or reasonably be expected to have a material adverse effect on the ability of the Company and its Subsidiaries, taken as a whole, to conduct their businesses in the ordinary course of business consistent with past practices.

2.15. No Material Adverse Effect. Since December 31, 2011, no event or circumstance has occurred that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect.

2.16. Registration Rights; Voting Rights. Except for the Prior Registration Rights Agreement, and except as will be provided in the Registration Rights Agreement, (i) the Company has not granted or agreed to grant, and is not under any obligation to provide, any rights to register under the Securities Act any of its presently outstanding securities or any of its securities that may be issued subsequently, and (ii) to the Company's Knowledge, no shareholder of the Company has entered into any agreement with respect to the voting of equity securities of the Company.

2.17. Brokers. No agent, broker, Person, financial advisor or other intermediary that has been retained by or is authorized to act on behalf of the Company or any Subsidiary thereof is, or will be, entitled to any broker's commission, finder's fees or similar payment from any of the them in connection with the transactions contemplated by this Agreement.

2.18. Reports.

(a) Since December 31, 2009, the Company has timely filed all documents required to be filed with the Commission pursuant to Sections 13(a), 14(a) or 15(d) of the Exchange Act.

(b) The SEC Reports, when they became effective or were filed with the Commission, as the case may be, complied as to form in all material respects with the requirements of the Securities Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, in each case as in effect at such time, and none of such documents contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make such statements, in the light of the circumstances in which they were made, not misleading.

(c) The Company (i) has implemented and maintains disclosure controls and procedures (as defined in Rule 13a−15(e) under the Exchange Act) that are reasonably designed to ensure that material information relating to the Company, including its consolidated Subsidiaries, is made known to the individuals responsible for the preparation of the Company's filings with the Commission and other public disclosure documents, and (ii) has disclosed, based on its most recent evaluation prior to the date hereof, to the Company's outside auditors and the audit committee of the Company's board of directors (A) any significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting (as defined in Rule 13a−15(f) under the Exchange Act) that are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information and (B) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting. As of the date hereof, to the Knowledge of the Company, there is no reason that its outside auditors and its chief executive officer and chief financial officer will not be able to give the certifications and attestations required pursuant to the rules and regulations adopted pursuant to Section 404 of the Sarbanes−Oxley Act of 2002, without qualification, when next due.

3. Representations and Warranties of the Investors. Each Investor hereby represents and warrants, severally and not jointly, as of the date hereof and as of the Closing Date, as follows:

3.1. Private Placement.

(a) Such Investor is (i) an "accredited investor" within the meaning of Rule 501 of Regulation D promulgated under the Securities Act; (ii) aware that the sale of Shares to it is being made in reliance on a private placement exemption from registration under the Securities Act and that the Company is relying in part upon the truth and accuracy of, and such Investor's compliance with, the representations, warranties, agreements, acknowledgments and covenants of such Investor set forth herein in order to determine the availability of such exemptions and the eligibility of such Investor to acquire the Shares and (iii) acquiring Shares for its own account and not with a view towards, or for resale in connection with, the public sale or distribution thereof in a manner that would violate the Securities Act. If such Investor is acquiring the securities as a fiduciary or agent for one or more accounts, such Investor represents that it has sole investment discretion with respect to each such account and it has full power to make the representations, acknowledgements, covenants and agreements set forth herein on behalf of such account.

(b) Such Investor understands and agrees that the Shares are being offered in a transaction not involving any public offering within the meaning of the Securities Act, that such Shares have not been and, except as will be contemplated by the Registration Rights Agreement, will not be registered under the Securities Act and that the Shares may be offered, resold, pledged or otherwise transferred only (i) in a transaction not involving a public offering, (ii) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), (iii) pursuant to an effective registration statement under the Securities Act, or (iv) to the Company or one of its subsidiaries, in each of cases (i) through (iv) in accordance with any applicable securities laws of any State of the United States.

(c) Such Investor (i) has such sufficient knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its prospective investment in the Shares, and (ii) has the ability to bear the economic risks of its prospective investment.

(d) Such Investor acknowledges that (i) it has conducted its own investigation of the Company and the terms of the Shares, (ii) it has had access to the Company's public filings with the Commission and to such financial and other information as it deems necessary to make its decision to purchase the Shares, and (iii) has been offered the opportunity to conduct such review and analysis of the business, assets, condition, operations and prospects of the Company and its Subsidiaries and to ask questions of the Company and receive answers thereto, each as it deemed necessary in connection with the decision to purchase the Shares. Each Investor further acknowledges that it has had such opportunity to consult with its own counsel, financial and tax advisors and other professional advisers as it believes is sufficient for purposes of the purchase of the Shares. The foregoing, however, does not limit or modify the representations and warranties of the Company in Section 2 of this Agreement or the right of the Investors to rely thereon, or any of the other express terms and conditions of this Agreement.

(e) Such Investor understands that the Company will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

(f) Except for the representations and warranties contained in Section 2 of this Agreement, each Investor acknowledges that neither the Company nor any Person on behalf of the Company makes, and such Investor has not relied upon, any other express or implied representation or warranty with respect to the Company or any of its Subsidiaries or with respect to any other information provided to the Investors in connection with the transactions contemplated by this Agreement.

(g) Such Investor understands that upon the original issuance of the Shares, and until such time as the same is no longer required under applicable requirements of the Securities Act or applicable state securities laws, any certificates or other instruments representing the Shares, and all certificates or other instruments issued in exchange therefor or in substitution thereof, shall bear customary legends referencing such restrictions on transferability, and that the Company will make a notation on its records and give instructions to any registrar or transfer agent of the Shares in order to implement the restrictions on transfer set forth and described herein.

(h) Such Investor understands that no U.S. or foreign government or regulatory authority or agency has passed on or made any recommendation or endorsement of the Shares or the fairness or suitability of the investment in the Shares nor have such authorities passed upon or endorsed the merits of the offering of the Shares.

3.2. Organization. Such Investor has been duly organized and is validly existing as a corporation, partnership or other entity under the laws of its jurisdiction of organization.

3.3. Power and Authority. Such Investor has full right, power, authority and capacity to enter into this Agreement and to consummate the transactions contemplated hereby and has taken all necessary action to authorize the execution, delivery and performance hereof.

3.4. Authorization; Enforceability. The execution, delivery and performance of this Agreement has been duly authorized by all necessary action on the part of such Investor, and this Agreement has been duly executed and delivered by such Investor and, assuming due authorization, execution and delivery of this Agreement by the Company and the other Investors, this Agreement constitutes a valid and binding obligation of such Investor, enforceable against it in accordance with its terms, except to the extent that the enforcement thereof may be limited by the Enforceability Exceptions.

3.5. No Default or Violation. The execution, delivery, and performance of and compliance with this Agreement and the issuance and sale of the Shares will not (x) result in any default or violation of the organizational documents of such Investor, (y) result in any default or violation of any agreement relating to its material Indebtedness or under any material mortgage, deed of trust, security agreement or lease to which it is a party or in any default or violation of any judgment, order or decree of any Governmental Authority applicable to such Investor or its assets or properties, or (z) result in (1) a violation or breach of, or a conflict with, termination of,

contravention of or default under (or give rise to any right of termination, cancellation, payment or acceleration under) any of the terms, conditions or provisions of, any material contract, agreement or arrangement to which such Investor is a party, or by which any of its properties or assets may be bound, or (2) the creation of any lien or other encumbrance upon the properties or assets of such Investor, except in the case of clauses (y) and (z), as would not have, and would not reasonably be expected to have, a material adverse effect on the ability of such Investor to consummate the transactions contemplated hereby.

3.6. Brokers. No agent, broker, Person, financial advisor or other intermediary that has been retained by or is authorized to act on behalf of such Investor is, or will be, entitled to any broker's commission, finder's fees or similar payment from such Investor in connection with the transactions contemplated by this Agreement.

3.7. Financial Capability. Such Investor currently has or at Closing will have available funds necessary to purchase the Shares at Closing on the terms and conditions contemplated by this Agreement.

4. Conditions to All Parties' Obligations at Closing. The obligations of each of the Investors and the Company to effect the purchase and sale of the Shares at the Closing is subject to the fulfillment at the Closing of the condition that no judgment, order, decree, ruling, or charge shall have been entered in any action, suit, or proceeding before any Governmental Authority having jurisdiction over any party to this Agreement, and no preliminary or permanent injunction by any court or Governmental Authority shall have been issued, which would have the effect of (i) making the transactions contemplated by this Agreement illegal, or (ii) otherwise preventing the consummation of the transactions contemplated by this Agreement.

5. Conditions to Each Investor's Obligations at Closing. The obligation of each Investor to purchase Shares at the Closing is subject to the fulfillment at the Closing of each of the following conditions, any or all of which may be waived by such Investor:

5.1. Representations and Warranties. (i) The representations and warranties of the Company contained in Sections 2.1 (Organization, Good Standing and Qualification), 2.3 (Authorization; Enforceable Agreement), 2.11 (Valid Issuance of Shares), 2.12 (Capitalization) and 2.18 (Brokers) shall be true and correct in all respects as of the date hereof and as of the Closing Date, and (ii) the other representations and warranties of the Company contained in Section 2 shall be true and correct as of the date hereof and as of the Closing Date (in each case without giving effect to any qualifications as to materiality or Material Adverse Effect or any similar qualification), except, in the case of this clause (ii), for such failures to be true and correct as would not, individually or in the aggregate, have, or reasonably be expected to have, a Material Adverse Effect.

5.2. Performance. The Company shall have performed and complied in all material respects with all of its agreements and covenants contained in this Agreement that are required to be performed or complied with by it on or before the Closing.

5.3. BBAM Transaction. The purchase of a fifty percent (50%) equity interest in BBAM Limited Partnership by certain Affiliates of the Onex Investors, as contemplated by

that certain Purchase Agreement, dated as of the date hereof, by and among the Affiliates of the Onex Investors that are purchasers named therein, Summit, Fly-BBAM Holdings, Ltd., Summit Aviation Management Co., Ltd., and BBAM Limited Partnership (the "BBAM Purchase Agreement"), shall have been consummated upon the terms set forth in the BBAM Purchase Agreement.

5.4. No Material Adverse Effect. Since the date of this Agreement, no event or circumstance has occurred that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect.

5.5. Compliance Certificate. The Company shall deliver to the Investors of the Company at the Closing a certificate signed by the Chief Executive Officer or the Chief Financial Officer stating that the conditions specified in Sections 5.1 and 5.2 have been fulfilled.

5.6. Purchase of Shares by Other Investor. (i) If such Investor is an Onex Investor, Summit shall have consummated its purchase of Shares pursuant to this Agreement (or Summit will consummate such purchase simultaneously with such Onex Investor), and (ii) if such Investor is Summit, the Onex Investors shall have consummated their purchase of Shares pursuant to this Agreement (or the Onex Investors will consummate such purchase simultaneously with Summit).

5.7. Registration Rights Agreement. The Company and Summit shall have terminated the Prior Registration Rights Agreement, and neither Summit nor any other Person shall have any outstanding registration rights thereunder. The Company and the Investors shall have entered into a new registration rights agreement relating to the registration of the Shares (the "Registration Rights Agreement"), which Registration Rights Agreement (i) shall provide that the Company shall file a Form F-3 or other "shelf" registration statement providing for the registration of all of the Shares under the Securities Act as promptly as practicable following the filing of the Company's annual report on Form 20-F for the fiscal year ended December 31, 2012, and shall maintain the effectiveness of such registration statement until all Shares have been sold thereunder, and (ii) otherwise contain customary terms.

5.8. Opinion of Company Counsel. The Investors shall have received (a) an opinion of Jones Day, counsel to the Company, dated the Closing Date, covering the matters set forth on Exhibit B, and (b) an opinion of Conyers Dill & Pearman, counsel to the Company, dated the Closing Date, covering the matters set forth on Exhibit C.

5.9. Listing of Shares. The Company shall, prior to the Closing, cause the Shares to be approved for listing on the NYSE, subject to official notice of issuance.

6. Conditions of the Company's Obligations at Closing. The obligations of the Company to issue and sell the Shares to the Investors at the Closing are subject to the fulfillment at the Closing of the condition (which condition may be waived by the Company) that the representations and warranties of the Investors contained in Section 3 shall be true and correct as of the date hereof and as of the Closing Date (in each case without giving effect to any qualifications as to materiality or material adverse effect or any similar qualification), except for such failures to be true and correct as would not, individually or in the aggregate, have, or

reasonably be expected to have, a material adverse effect on the ability of the Investors to consummate the transactions contemplated hereby.

7. Covenants. The Company and the Investors hereby covenant and agree, for the benefit of the other parties hereto and their respective assigns, as follows:

7.1. State Securities Laws. The Company shall use all commercially reasonable efforts to (x) obtain all necessary permits and qualifications, if any, or secure an exemption therefrom, required by any state or country prior to the offer and sale of the Shares, and (y) cause such authorization, approval, permit or qualification to be effective as of the Closing.

7.2. Negative Covenants Prior to Closing. From the date of this Agreement through the Closing the Company shall not, shall cause its Subsidiaries not to:

(a) Declare, or make payment in respect of, any dividend or other distribution upon any shares of capital stock, except for (i) dividends and distributions that are solely to the Company or a Subsidiary thereof and (ii) cash dividends paid in accordance with the Company's dividend policy in effect as of the date hereof, as described in the SEC Reports;

(b) Redeem, repurchase or acquire any capital stock of the Company or any of its Subsidiaries;

(c) Amend the Organizational Documents; or

(d) Authorize, issue or reclassify any capital stock, or securities convertible into capital stock (or securities convertible into any such convertible securities), of the Company or its Subsidiaries (other than the authorization and issuance of the Shares in accordance with this Agreement).

7.3. Transfer Taxes. The Company shall pay any and all documentary, stamp or similar issue or transfer tax due on the issue of the Shares at Closing.

7.4. PFIC and Other Tax Information. For as long as any Shares remain outstanding, the Company shall provide the Investors with such Information as any Investor, or its investors, may require or reasonably request to make and maintain an election to treat the Company as a "qualified electing fund" within the meaning of Section 1295 of the Code. In addition, the Company shall provide to each Investor such other information as such Investor may reasonably request to comply with its U.S. federal, state, local, and/or non-U.S. tax filing obligations with respect to its investment in the Company.

7.5. Lock-Up. Each Investor hereby agrees that, following the Closing Date, it will not sell or otherwise dispose of any ADSs that it holds without the prior written consent of the Company; provided, that, notwithstanding the foregoing, (i) the Onex Investors shall be permitted, without the consent of the Company, to sell or otherwise dispose of from time to time, in the aggregate (together with any previous disposals of ADSs contemplated by this clause (i)), the number of ADSs equal to (x) 1,752,848 multiplied by (y) the Onex Sell Down Percentage, (ii) Summit shall be permitted, without the consent of the Company, to sell or

otherwise dispose of from time to time, in the aggregate (together with any previous disposals of ADSs contemplated by this clause (ii)), the number of ADSs equal to (x) 1,438,212 multiplied by (y) the Onex Sell Down Percentage, and (iii) each Investor shall be permitted, without the consent of the Company, to transfer ADSs to an Affiliate thereof.

8. Termination.

8.1. Termination of Agreement Prior to the Closing. This Agreement may be terminated at any time prior to the Closing:

(a) by any Investor, or the Company, if the BBAM Purchase Agreement is terminated in accordance with its terms;

(b) by any Investor, or the Company, if the Closing shall not have occurred by January 4, 2013; provided, however, that the right to terminate this Agreement under this Section 8.1 shall not be available to any party whose failure to fulfill any obligation under this Agreement shall have been the cause of, or shall have resulted in, the failure of the Closing to occur on or prior to such date (unless such failure is waived in writing by the nonbreaching party);

(c) by any Investor, or the Company, in the event that any Governmental Authority shall have issued an order, decree or ruling or taken any other action restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement and such order, decree, ruling or other action shall have become final and nonappealable; or

(d) by the mutual written consent of all of the Investors and the Company.

8.2. Effect of Termination Prior to Closing. In the event of termination of this Agreement as provided in Section 8.1, this Agreement shall forthwith become void and there shall be no liability on the part of either party hereto, except that nothing herein shall relieve either party from liability for any breach of any covenant or agreement in this Agreement.

9. Publicity. No written public release or written announcement concerning the purchase of Shares contemplated hereby shall be issued by any party to this Agreement without the prior written consent of the other parties hereto (which consent shall not be unreasonably withheld), except as such release or announcement may be required by law or the rules or regulations of any securities exchange, in which case the party required to make the release or announcement shall, to the extent reasonably practicable, allow the other parties reasonable time to comment on such release or announcement in advance of such issuance. The provisions of this Section 9 shall not restrict the ability of a party to summarize or describe the transactions contemplated by this Agreement in any prospectus or similar offering document so long as the other parties are provided a reasonable opportunity to review such disclosure in advance.

10. Miscellaneous.

10.1. Governing Law. This Agreement shall be governed in all respects by the laws of the State of New York without regard to choice of laws or conflict of laws provisions thereof that would require the application of the laws of any other jurisdiction.

10.2. Submission to Jurisdiction; Venue; Waiver of Trial by Jury. Each of the parties hereto irrevocably submits to the exclusive jurisdiction of any United States Federal court sitting in the County of New York, in the State of New York, over any suit, action or proceeding arising out of or relating to this Agreement or the transactions contemplated thereby (or, solely to the extent that no such United States Federal court has jurisdiction over such suit, action or proceeding, to the exclusive jurisdiction of any New York State court sitting in the County of New York, in the State of New York, with respect thereto). Each of the parties irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding brought in such a court and any claim that any such suit, action or proceeding brought in such a court has been brought in an inconvenient forum. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH SUCH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (i) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (ii) EACH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (iii) EACH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (iv) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS SET FORTH IN THIS SECTION.

10.3. Survival. The representations and warranties made in Sections 2 and 3, and the covenants and agreements set forth herein that contemplate performance solely prior to the Closing, shall expire at the Closing and have no further force and effect. The covenants and agreements set forth herein that contemplate performance at or after the Closing shall survive until such covenants and agreements are fully performed in accordance with their terms. All statements of the Company as to factual matters contained in any certificate delivered by or on behalf of the Company pursuant to this Agreement shall be deemed to be the representations and warranties of the Company hereunder as of the date of such certificate.

10.4. Enforcement of Agreement. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with its specific terms or was otherwise breached. It is accordingly agreed that each of the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any Federal court sitting in the County of New York, in the State of New York (or, solely to the extent that

no such Federal court has jurisdiction over such suit, action or proceeding, in any New York State court sitting in the County of New York, in the State of New York), this being in addition to any other remedy to which they are entitled at law or in equity. Additionally, each party hereto irrevocably waives any defenses based on adequacy of any other remedy, whether at law or in equity, that might be asserted as a bar to the remedy of specific performance of any of the terms or provisions hereof or injunctive relief in any action brought therefor.

10.5. Successors and Assigns. Except as otherwise provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors, and administrators of the parties hereto; provided, however, the rights of the Investors under this Agreement shall not be assignable to any Person without the consent of the Company; provided further, that any Onex Investor shall be permitted, without the consent of the Company, to assign all or a portion of its rights and obligations to purchase Shares at the Closing to one or more Affiliates thereof.

10.6. No Third Party Beneficiaries. Notwithstanding anything contained in this Agreement to the contrary, nothing in this Agreement, expressed or implied, is intended to confer on any Person other than the parties hereto any rights, remedies, obligations or liabilities under or by reason of this Agreement, and no Person that is not a party to this Agreement (including without limitation any partner, member, shareholder, director, officer, employee or other beneficial owner of any party hereto, in its own capacity as such or in bringing a derivative action on behalf of a party hereto) shall have any standing as third party beneficiary with respect to this Agreement or the transactions contemplated hereby.

10.7. No Personal Liability of Directors, Officers, Owners, Etc. No director, officer, employee, incorporator, shareholder, managing member, member, general partner, limited partner, principal or other agent of any of the Investors or the Company shall have any liability for any obligations of the Investors under this Agreement or for any claim based on, in respect of, or by reason of, the respective obligations of the Investors or the Company hereunder. Each party hereto hereby waives and releases all such liability. This waiver and release is a material inducement to each party's entry into this Agreement.

10.8. Entire Agreement. This Agreement supersedes all other prior oral or written agreements among the parties hereto and persons acting on their behalf with respect to the matters discussed herein, and this Agreement and the instruments referenced herein contain the entire understanding of the parties with respect to the matters covered herein and therein and, except as specifically set forth herein or therein, none of the parties hereto makes any representation, warranty, covenant or undertaking with respect to such matters.

10.9. Notices, Etc. All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given or made (a) as of the date delivered, if delivered personally, (b) on the date the delivering party receives confirmation, if delivered by facsimile, (c) three (3) business days after being mailed by registered or certified mail (postage prepaid, return receipt requested) or (d) one (1) business day after being sent by overnight courier (providing proof of delivery), to the Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 10.9):

(a) if to the Onex Investors, to:

c/o Onex Partners Advisor LP
161 Bay Street
Toronto, ON M5J 2 S1
Attention: Tawfiq Popatia

With copies to:

Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, New York 10004
Telecopy: (212) 859-4000
Attention: Christopher Ewan, Esq. and David Shaw, Esq.

(b) if to Summit, to:

Summit Aviation Partners LLC
50 California Street, 14th Floor
San Francisco, CA 94111
Telecopy: (415) 618-3337
Attention: General Counsel

and

Summit Aviation Management Co., Ltd.
c/o Maples Corporate Services Limited
PO Box 309, Ugland House
Grand Cayman KY1-1104
Cayman Islands
Telecopy: (345) 949-8080
Attention: Director

With copies to:

Davis Polk & Wardwell LLP
1600 El Camino Real
Menlo Park, CA 94025
Telecopy: (650) 752-3601
Attention: Daniel G. Kelly, Jr.

(c) if to the Company, to:

Fly Leasing Limited
West Pier
Dun Laoghaire

County Dublin, Ireland
Telecopy: +353 1 231 1901
Attention: Colm Barrington, Chief Executive Officer

With copies to:

Jones Day
222 East 41st Street
New York, New York 10017
Telecopy: (212) 755-7306
Attention: Boris Dolgonos, Esq.

10.10. Expenses. The Company and each of the Investors shall bear their own respective costs and expenses incurred by them or on their behalf with respect to this Agreement and the transactions contemplated hereby.

10.11. Amendments and Waivers. No provision of this Agreement may be amended other than by an instrument in writing signed by the Company and the Investors representing a majority of the Shares purchased under this Agreement, and any amendment to this Agreement made in conformity with the provisions of this Section 10.11 shall be binding on the Investors and all holders of the Shares purchased under this Agreement, as applicable. No provision hereof may be waived other than by an instrument in writing signed by the party from whom such waiver is requested.

Unless otherwise expressly provided in this Agreement, no delay or omission on the part of any party in exercising any right or privilege under this Agreement shall operate as a waiver thereof, nor shall any waiver on the part of any party of any right or privilege under this Agreement operate as a waiver of any other right or privilege under this Agreement nor shall any single or partial exercise of any right or privilege preclude any other or further exercise thereof or the exercise of any other right or privilege under this Agreement. No failure by either party to take any action or assert any right or privilege hereunder shall be deemed to be a waiver of such right or privilege in the event of the continuation or repetition of the circumstances giving rise to such right unless expressly waived in writing by the party against whom the existence of such waiver is asserted.

10.12. Counterparts. This Agreement may be executed in any number of counterparts and signatures may be delivered by facsimile or in electronic format (i.e., "PDF"), each of which may be executed by less than all parties, each of which shall be enforceable against the parties actually executing such counterparts, and all of which together shall constitute one instrument.

10.13. Severability. If any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Agreement and the balance of this Agreement shall be enforceable in accordance with its terms.

10.14. Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

[THIS SPACE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

FLY LEASING LIMITED

By: /s/ Colm Barrington
Name: Colm Barrington
Title: Chief Executive Officer

[*Signature Page to Fly Purchase Agreement – Onex Investors*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

ONEX INVESTORS

ONEX CORPORATION

By: /s/ Donald W. Lewtas
Name: Donald W. Lewtas
Title: Chief Financial Officer

By: /s/ Christopher A. Govan
Name: Christopher A. Govan
Title: Managing Director

NEW PCO INVESTMENTS LTD.

By: /s/ Christopher A. Govan
Name: Christopher A. Govan
Title: Managing Director

By: /s/ Lori Shapiro
Name: Lori Shapiro
Title: Vice President

ONEX PARTNERS III GP LP
By: Onex Partners GP Inc., its General Partner

By: /s/ Robert M. Le Blanc
Name: Robert M. Le Blanc
Title: President

By: /s/ Donald F. West
Name: Donald F. West
Title: Vice President

[*Signature Page to Fly Purchase Agreement – Onex Investors*]

ONEX US PRINCIPALS LP

By: Onex American Holdings GP LLC, its General Partner

By: /s/ Donald F. West
Name: Donald F. West
Title: Director

ONEX PARTNERS III PV LP

By: Onex Partners III GP LP, its General Partner
By: Onex Partners Manager LP, its Agent
By: Onex Partners Manager GP ULC, its General Partner

By: /s/ Robert M. Le Blanc
Name: Robert M. Le Blanc
Title: Managing Director

By: /s/ Donald F. West
Name: Donald F. West
Title: Vice President and Secretary

ONEX PARTNERS III SELECT LP
By: Onex Partners III GP LP, its General Partner
By: Onex Partners Manager LP, its Agent
By: Onex Partners Manager GP ULC, its General Partner

By: /s/ Robert M. Le Blanc
Name: Robert M. Le Blanc
Title: Managing Director

By: /s/ Donald F. West
Name: Donald F. West
Title: Vice President

[*Signature Page to Fly Purchase Agreement – Onex Investors*]

ONEX PARTNERS III LP
By: Onex Partners III GP LP, its General Partner
By: Onex Partners Manager LP, its Agent
By: Onex Partners Manager GP ULC, its General Partner

By: /s/ Robert M. Le Blanc
Name: Robert M. Le Blanc
Title: Managing Director

By: /s/ Donald F. West
Name: Donald F. West
Title: Vice President and Secretary

[*Signature Page to Fly Purchase Agreement – Onex Investors*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

SUMMIT AVIATION PARTNERS LLC

By: /s/ Steven Zissis
Name: Steven Zissis
Title: President

[*Signature Page to Fly Purchase Agreement – Summit Aviation Partners LLC*]

SCHEDULE I

SCHEDULE OF INVESTORS

Investor	Number of ADSs	Aggregate Purchase Price
Onex Investors:		
Onex Corporation	441,860.00	$5,041,622.60
New PCo Investments Ltd.	17,528.00	$199,994.48
Onex Partners III GP LP	39,536.00	$451,105.76
Onex US Principals LP	3,760.00	$42,901.60
Onex Partners III PV LP	15,624.00	$178,269.84
Onex Partners III Select LP	3,957.00	$45,149.37
Onex Partners III LP	1,230,583.00	$14,040,952.03
Total for Onex Investors:	1,752,848.00	$19,999,995.68
Summit	438,212	$4,999,998.92
Total for Onex Investors and Summit:	2,191,060	$24,999,994.60

EXHIBIT A

DEFINITIONS

The following terms shall have the respective meanings for all purposes of the Agreement:

"Affiliate" shall mean any Person controlling, controlled by or under common control with any other Person; and with respect to an individual, "Affiliate" shall also mean any other individual related to such individual by blood or marriage. For purposes of this definition, "control" (including "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of securities, partnership or other ownership interests, by contract or otherwise.

"Code" shall mean the Internal Revenue Code of 1986, as amended, as now or hereafter in effect, together with all regulations, rulings and interpretations thereof or thereunder by the Internal Revenue Service.

"Encumbrance" means, whether arising under any contract or otherwise, any claims, security interests, liens, encumbrances, pledges, mortgages, hypothecations, rights of others, assessments, voting trust agreements, options, rights of first offer, proxies, title defects, factoring or conditional sale or other agreement on deferred terms and charges or other restrictions or limitations of any nature whatsoever.

"Generally Accepted Accounting Principles" shall mean United States generally accepted accounting principles and practices as in effect from time to time and applied consistently throughout the periods involved.

"Governmental Authority" shall mean any foreign governmental authority, the United States of America, any state of the United States and any political subdivision of any of the foregoing, and any agency, instrumentality, department, commission, board, bureau, central bank, authority, court or other tribunal, in each case whether executive, legislative, judicial, regulatory or administrative, having jurisdiction over the Investors, the Company, any of the Company's Subsidiaries or their respective Property.

"Indebtedness" means, with respect to a Person: (i) any indebtedness for borrowed money, whether or not having recourse to the borrower; (ii) any other indebtedness of such Person which is evidenced by a note, bond, debenture or similar instrument; (iii) all obligations of such Person under any capital leases; (iv) any obligation under any factoring, securitization or other similar facility or arrangement; (v) any reimbursement obligation with respect to letters of credit (including standby letters of credit to the extent drawn upon), bankers' acceptances or similar facilities, and (vi) any obligation issued or assumed as the deferred purchase price of property or services, including any earnout arrangements; (vii) all obligations under any interest rate or currency protection agreement or swaps, forward contracts and similar agreements, and (viii) all guarantees issued in respect of the obligations described in clauses (i)-(vii) above of any other Person (contingent or otherwise), in each case including the aggregate principal amount of,

and any accrued interest and applicable pre-payment charges, fees, penalties or premiums with respect to such obligations; provided that, Indebtedness shall not include, with respect to the Company or any of its Subsidiaries, inter-company indebtedness solely between the Company and a Subsidiary thereof, or between one Subsidiary of the Company and another.

"Knowledge" of the Company shall mean the actual knowledge of any of the following individuals without the obligation of inquiry: Steven Zissis, Colm Barrington, Gary Dales, Wesley Dick, Mina Kim, Robert Tomczak, and Lynn Truong.

"Material Adverse Effect" means any change, effect, or occurrence that (a) has or results in, or would reasonably be expected to have or result in, a material adverse effect on the business, assets, liabilities, condition (financial or otherwise) or results of operations of the Company and its Subsidiaries, taken as a whole, or (b) does, or would reasonably be expected to, materially impair or delay the ability of the Company to promptly perform its obligations hereunder or under the Registration Rights Agreement; provided, however, that no changes, effects or occurrences resulting from, relating to, or arising out of the following shall be taken into account when determining whether a Material Adverse Effect has occurred or may, would or could occur: (i) the effect of any change in the U.S. or foreign economies to the extent that it does not disproportionately affect the Company and its Subsidiaries, taken as a whole, relative to other participants in the industries in which the Company and its Subsidiaries operate; (ii) the effect of any change that generally affects any industry or market in which the Company and its Subsidiaries operate to the extent that it does not disproportionately affect the Company and its Subsidiaries, taken as a whole, relative to other participants in the industries in which the Company and its Subsidiaries operate; (iii) the effect of any change arising in connection with any international or national calamity, commencement, continuation or escalation of a war, armed hostilities or act of terrorism to the extent that it does not disproportionately affect the Company and its Subsidiaries, taken as a whole, relative to other participants in the industries in which the Company and its Subsidiaries operate; and (iv) the effect of any changes in applicable Laws or Generally Accepted Accounting Principles (or the interpretation thereof).

"Onex Sell Down Percentage" means, at any time, the percentage of outstanding equity interests in BBAM LP that have been sold or otherwise transferred by any Onex Investor (or permitted transferee thereof) to third parties on or prior to such time.

"Permitted Encumbrances" means (i) Encumbrances for taxes not yet due and payable or that are being contested in good faith and by appropriate proceedings and for which adequate reserves in accordance with Generally Accepted Accounting Principles have been established in the Company's consolidated balance sheet included in the Latest Interim Report; (ii) mechanics', carriers', workmen's, repairmen's, materialmen's and other Encumbrances arising by operation of Law and incurred in the ordinary course of business; (iii) pledges or deposits to secure obligations under workers' compensation Laws or similar Laws or to secure public or statutory obligations; (iv) pledges and deposits to secure the performance of bids, trade contracts, leases, surety and appeal bonds, performance bonds and other obligations of a similar nature, in each case in the ordinary course of business, (v) easements, encroachments, declarations, covenants, conditions, reservations, limitations and rights of way (unrecorded and of record) and other similar restrictions or encumbrances of record, and zoning, building and other similar ordinances, regulations, variances and restrictions, in each case that do not and would not

reasonably be expected to materially adversely affect the subject property; and (vi) as to leased real property, all Encumbrances created or incurred by any owner, landlord, sublandlord or other Person in title, in each case that do not and would not reasonably be expected to materially adversely affect the subject property.

"Person" shall mean any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, Governmental Authority or any other form of legal entity.

"Prior Registration Rights Agreement" means that certain Registration Rights Agreement, dated as of October 2, 2007, between Summit and the Company.

"Property" shall mean any interest in any kind of property or asset, whether real, personal or mixed, tangible or intangible.

"Subsidiary" of any Person shall mean any corporation, partnership, joint venture, limited liability company, trust or estate of which (or in which) more than fifty percent (50%) of (a) the issued and outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether at the time capital stock of any other class or classes of such corporation shall or might have voting power upon the occurrence of any contingency), (b) the interest in the capital or profits of such partnership, joint venture or limited liability company or (c) the beneficial interest in such trust or estate is at the time directly or indirectly owned or controlled by such Person, by such Person and one or more of its other Subsidiaries or by one or more of such Person's other Subsidiaries.

EXHIBIT B

FORM OF OPINION OF JONES DAY,
COUNSEL TO THE COMPANY

1. The Agreement constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms.

2. The execution, delivery and performance by the Company of the Agreement does not conflict with or result in a violation of, or require any filing with or consent or approval from, any governmental authority under, any law, rule or regulation of the United States or any state thereof or any orders or judgments to which the Company is subject.

3. The execution, delivery and performance by the Company of the Agreement does not result in a violation of any Contract to which the Company or any of its Subsidiaries is a party, or require any notice to or consent or approval from any counterparty to such Contract.

4. The offer and sale of the ADSs to the Investors pursuant to the Agreement are exempt from the registration requirements of the Securities Act of 1933.

EXHIBIT C

**FORM OF OPINION OF CONYERS DILL & PEARMAN,
COUNSEL TO THE COMPANY**

1. The Company is an exempted company, duly organized, validly existing and in good standing under the laws of Bermuda.

2. The Company has all requisite corporate power and authority to execute, deliver and perform its obligations under the Agreement.

3. The Agreement has been duly executed and delivered by the Company.

4. The execution, delivery and performance by the Company of the Agreement has been duly authorized by all necessary organizational action on the part of the Company.

5. The Common Shares represented by the Shares are validly issued, fully paid and nonassessable and no person is entitled to preemptive rights under Bermuda law or the Organizational Documents of the Company in connection with such issuance.

6. The execution, delivery and performance by the Company of the Agreement does not conflict with or result in a violation of, or require any filing with or consent or approval from, any governmental authority under, any law, rule or regulation of any jurisdiction (including, without limitation, Bermuda or the United States or any state thereof) or any orders or judgments to which the Company is subject.

FIRST AMENDMENT TO PURCHASE AGREEMENT

Amendment (this "Amendment"), dated as of December 28, 2012, to that certain Securities Purchase Agreement (the "Agreement"), dated as of November 30, 2012, by and among Fly Leasing Limited, a Bermuda exempted company (the "Company"), the Persons set forth on Schedule I thereto under the heading "Onex Investors" (each, an "Onex Investor", and collectively, the "Onex Investors"), and Summit Aviation Partners LLC, a Delaware limited liability company ("Summit") (each of the Onex Investors and Summit, an "Investor", and collectively, the "Investors"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Agreement.

W I T N E S S E T H:

WHEREAS, Section 10.11 of the Agreement permits the parties thereto to amend the Agreement by written instrument executed by the Company and the Investors representing a majority of the Shares purchased under the Agreement; and

WHEREAS, the parties hereto desire to amend the Agreement as provided herein.

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties and agreements contained herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be bound hereby, the parties hereto hereby agree as follows:

1. Schedule of Investors. Schedule I to the Agreement is hereby replaced in its entirety with Schedule I to this Amendment.

2. BBAM Transaction. The parenthetical "(the "BBAM Purchase Agreement") in Section 5.3 of the Agreement is hereby deleted and replaced with the parenthetical "(as amended, supplemented or modified from time to time, the "BBAM Purchase Agreement")".

3. Listing of Shares. The phrase "prior to the Closing" in Section 5.9 of the Agreement is hereby deleted and replaced with the phrase "as promptly as practicable following the filing of the Company's annual report on Form 20-F for the fiscal year ended December 31, 2012".

4. Lock-Up. Section 7.5 of the Agreement is hereby deleted in its entirety and replaced with the following:

"7.5 Lock-Up.

(a) Summit hereby agrees that, following the Closing Date, it will not sell or otherwise dispose of any ADSs that it holds without the prior written consent of the Company; provided, that, notwithstanding the foregoing, (i) Summit shall be permitted, without the consent of the Company, to sell or otherwise dispose of from time to time, in the aggregate (together with any previous disposals of ADSs contemplated by this clause (i)), the number of ADSs equal to (x) 1,438,212 multiplied by

(y) the Onex Sell Down Percentage, and (ii) Summit shall be permitted, without the consent of the Company, to transfer ADSs to an Affiliate thereof.

(b) Each Onex Investor agrees that, following the Closing Date, it will not sell or otherwise dispose of any ADSs that it holds without the prior written consent of the Company; provided, that, notwithstanding the foregoing, (i) the Onex Investors shall be permitted, without the consent of the Company, to sell or otherwise dispose of from time to time, in the aggregate (together with any previous disposals of ADSs contemplated by this clause (i)), the number of ADSs equal to (x) 1,752,848 multiplied by (y) the Onex Sell Down Percentage, and (ii) each Onex Investor shall be permitted, without the consent of the Company, to transfer ADSs to an Affiliate thereof."

5. Effect of Amendment. Except as expressly set forth herein, the Agreement shall not by implication or otherwise be supplemented or amended by virtue of this Amendment, and shall remain in full force and effect, as amended hereby

6. Entire Agreement. The Agreement, as amended hereby, constitutes the entire agreement of the parties relating to the subject matter hereof and supersedes all prior contracts or agreements, whether oral or written. To the extent that there is a conflict between the terms and provisions of the Agreement and this Amendment, the terms and provisions of this Amendment shall govern for purposes of the subject matter of this Amendment only.

7. Severability. Should any provision of this Amendment or the application thereof to any Person or circumstance be held invalid or unenforceable to any extent: (a) such provision shall be ineffective to the extent, and only to the extent, of such unenforceability or prohibition and shall be enforced to the greatest extent permitted by applicable law, (b) such unenforceability or prohibition in any jurisdiction shall not invalidate or render unenforceable such provision as applied (i) to other Persons or circumstances or (ii) in any other jurisdiction, and (c) such unenforceability or prohibition shall not affect or invalidate any other provision of this Amendment.

8. Governing Law. This Amendment, the legal relations between the parties hereto and the adjudication and the enforcement thereof, shall in all respects be governed by, and construed in accordance with, the laws (excluding conflict of laws rules and principles) of the State of New York applicable to agreements made and to be performed entirely within such State, including all matters of construction, validity and performance.

9. Assignment. The rights of the Investors under this Amendment shall not be assignable to any Person without the consent of the Company; provided, that any Onex Investor shall be permitted, without the consent of the Company, to assign all or a portion of its rights and obligations to purchase Shares at the Closing to one or more Affiliates thereof.

10. Amendments and Waivers. No provision of this Amendment may be amended other than by an instrument in writing signed by the Company and the Investors representing a

majority of the Shares purchased under the Agreement, and any amendment to this Amendment made in conformity with the provisions of this Section 10 shall be binding on the Investors and all holders of the Shares purchased under the Agreement, as applicable. No provision hereof may be waived other than by an instrument in writing signed by the party from whom such waiver is requested. Notwithstanding the foregoing, neither subsection (a) nor (b) of Section 7.5 of the Agreement, as amended by this Amendment, can be amended or waived unless the other subsection is so amended or waived.

11. Counterparts. This Amendment may be executed by facsimile signatures and in any number of counterparts with the same effect as if all signatory parties had signed the same document. All counterparts shall be construed together and shall constitute one and the same instrument.

[THIS SPACE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the date first written above.

THE COMPANY:

FLY LEASING LIMITED

By: /s/ Colm Barrington
Name: Colm Barrington
Title: Chief Executive Officer

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THE ONEX INVESTORS:

ONEX CORPORATION

By: /s/ Christopher A. Govan
Name: Christopher A. Govan
Title: Managing Director

By: /s/ Christine M. Donaldson
Name: Christine M. Donaldson
Title: Vice President, Finance

NEW PCO INVESTMENTS LTD.

By: /s/ Christopher A. Govan
Name: Christopher A. Govan
Title: Vice President

By: /s/ Lori Shapiro
Name: Lori Shapiro
Title: Vice President

ONEX PARTNERS III GP LP

By: Onex Partners GP Inc., its General Partner

By: /s/ Robert M. Le Blanc
Name: Robert M. Le Blanc
Title: President

By: /s/ Donald F. West
Name: Donald F. West
Title: Vice President

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ONEX US PRINCIPALS LP

By: Onex American Holdings GP

LLC, its General

Partner

By: /s/ Donald F. West
Name: Donald F. West
Title: Director

ONEX PARTNERS III PV LP

By: Onex Partners III GP LP, its

General Partner

By: Onex Partners Manager LP, its

Agent

By: Onex Partners Manager GP

ULC, its General

Partner

By: /s/ Robert M. Le Blanc
Name: Robert M. Le Blanc
Title: Managing Director

By: /s/ Donald F. West
Name: Donald F. West
Title: Vice President and

Secretary

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ONEX PARTNERS III SELECT LP

By: Onex Partners III GP LP, its General Partner

By: Onex Partners Manager LP, its Agent

By: Onex Partners Manager GP ULC, its General Partner

By: /s/ Robert M. Le Blanc
Name: Robert M. Le Blanc
Title: Managing Director

By: /s/ Donald F. West
Name: Donald F. West
Title: Vice President and Secretary

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ONEX PARTNERS III LP

By: Onex Partners III GP LP, its

General Partner

By: Onex Partners Manager LP, its

Agent

By: Onex Partners Manager GP

ULC, its General

Partner

By: /s/ Robert M. Le Blanc
Name: Robert M. Le Blanc
Title: Managing Director

By: /s/ Donald F. West
Name: Donald F. West
Title: Vice President and

Secretary

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SUMMIT:

SUMMIT AVIATION PARTNERS LLC

By: /s/ Robert S. Tomczak
Name: Robert S. Tomczak
Title: Vice President

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SCHEDULE I

SCHEDULE OF INVESTORS

Investor	Number of ADSs	Aggregate Purchase Price
Onex Investors:		
Onex Corporation	441,860.00	$5,041,622.60
New PCo Investments Ltd.	17,528.00	$199,994.48
Onex Partners III GP LP	39,536.00	$451,105.76
Onex US Principals LP	3,760.00	$42,901.60
Onex Partners III PV LP	15,600.00	$177,996.00
Onex Partners III Select LP	3,957.00	$45,149.37
Onex Partners III LP	1,230,607.00	$14,041,225.87
Total for Onex Investors:	1,752,848.00	$19,999,995.68
Summit	438,212	$4,999,998.92
Total for Onex Investors and Summit:	2,191,060	$24,999,994.60