

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

FORM 8-K

**Current Report
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **March 3, 2020**

Willis Lease Finance Corporation
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-15369
(Commission
File Number)

68-0070656
(IRS Employer
Identification No.)

**4700 Lyons Technology Parkway
Coconut Creek, FL 33073**
(Address of principal executive offices)

Registrant's telephone number, including area code: **(561) 349-9989**

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of exchange on which registered
Common stock, \$0.01 par value per share	WLFC	Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01. Entry into a Material Definitive Agreement

On March 3, 2020, Willis Lease Finance Corporation (“Willis”) and its direct, wholly-owned subsidiary Willis Engine Structured Trust V (“WEST”) (formerly known as Willis Engine Securitization Trust II), closed its offering of \$366.2 million aggregate principal amount of fixed rate notes (the “Notes”). The Notes were issued in three series, with the Series A Notes issued in an aggregate principal amount of \$303.0 million, the Series B Notes issued in an aggregate principal amount of \$42.1 million and the Series C Notes issued in an aggregate principal amount of \$21.1 million. The Notes are secured by, among other things, WEST’s direct and indirect ownership interests in a portfolio of 54 aircraft engines and three airframes, including 25 aircraft engines and three airframes which WEST will acquire from Willis pursuant to an asset purchase agreement. The remainder of the assets are currently owned by WEST.

The Series A Notes have a fixed coupon of 3.228%, an expected maturity of approximately eight years and a final maturity date of March 15, 2045, the Series B Notes will have a fixed coupon of 4.212%, an expected maturity of approximately eight years and a final maturity date of March 15, 2045 and the Series C Notes will have a fixed coupon of 6.657%, an expected maturity of approximately eight years and a final maturity date of March 15, 2045. The Series A Notes were issued at a price of 99.99859% of par, the Series B Notes were issued at a price of 99.99493% of par and the Series C Notes were issued at a price of 99.99918% of par. Principal on the Notes is payable monthly to the extent of available cash in accordance with a priority of payments included in the Indenture (as defined below).

The net proceeds of the Notes will be primarily applied to (i) repay in full the aggregate principal amount of outstanding Class 2012-A Fixed Rate Term Notes issued by Willis Engine Securitization Trust II on September 17, 2012 (the “Original Transaction”) of \$201.9 million plus accrued and unpaid interest and the applicable redemption premium, (ii) pay fees and expenses related to the issuance of the Notes and the acquisition of assets from Willis, (iii) pay Willis periodically over a 270-day delivery period as consideration for the aircraft engines and the airframes acquired by WEST from Willis in connection with the financing and (iv) make a distribution to Willis with some or all of the excess proceeds, to the extent any excess proceeds remain after giving effect to the foregoing. Willis will apply any net proceeds it receives for general corporate purposes.

Additionally, in connection with the offering of the Notes, WEST will transfer 21 aircraft engines held by WEST prior to the issuance of the Notes to Willis (or a subsidiary of Willis) by way of the sale of the assets or the membership interest in the limited liability company that owns certain of such assets.

In connection with this transaction, Willis and WEST entered into a number of agreements, in addition to the Note Purchase Agreement previously reported on the Willis current report on Form 8-K filed on February 19, 2020, including those listed below:

1. Asset Purchase Agreement dated as of March 3, 2020 by and between Willis, as seller, and WEST, as purchaser, providing for, among other things, the sale by Willis to WEST of 25 aircraft engines and three airframes during a specified delivery period, by way of the sale of the beneficial ownership interests in trusts that own the assets.
2. Amended and Restated Trust Indenture dated as of March 3, 2020, which amends and restates the Trust Indenture entered into in connection with the Original Transaction, among WEST, Deutsche Bank Trust Company Americas (“DBTCA”), as operating bank and trustee, Willis, as administrative agent, and Bank of America, N.A., as initial liquidity facility provider, providing for the issuance by WEST of the Notes (the “Indenture”). The Indenture contains customary covenants for offerings of this type that apply to WEST and its subsidiaries (but not Willis and its subsidiaries other than WEST), including among others, limitations on incurrence of additional debt, limitations on distributions and dividends, limitations on asset dispositions, and a requirement to comply with certain concentration lease limits included in the Indenture. The Indenture also contains customary events of default. Pursuant to the Indenture, cash earned by WEST will be collected in a pledged account, which will be used to service the Notes and any remaining amounts, after debt service and defined expenses, will be distributed to Willis. Additionally, amounts equal to a portion of WEST’s maintenance costs (including maintenance reserve reimbursement obligations) and lease security deposit reimbursement obligations will be accumulated in pledged accounts and will be available to fund future maintenance events and to apply as security deposit amounts are permitted or required to be applied under the applicable lease, respectively.
3. Amended and Restated Security Trust Agreement dated as of March 3, 2020, which amends and restates the Security Trust Agreement entered into in connection with the Original Transaction, among WEST and DBTCA, as

security trustee (the “Security Trustee”) and operating bank (the “Security Trust Agreement”). Pursuant to the Security Trust Agreement, WEST grants, and each of WEST’s future subsidiaries will grant, a security interest in substantially all of its assets to the Security Trustee for the benefit of the secured parties in the transaction, including the holders of the Notes. The assets of WEST are not available to satisfy Willis’s obligations or those of any of Willis’s affiliates other than the obligations specific to WEST.

4. Amended and Restated Servicing Agreement dated as of March 3, 2020, which amends and restates the Servicing Agreement entered into in connection with the Original Transaction, among WEST and Willis, as servicer and administrative agent, providing for the appointment of Willis as the servicer of the assets of WEST and its subsidiaries. WEST will pay Willis monthly fees equal to 8.0% as servicer and 2.0% as administrative agent of the aggregate net rents actually received by WEST on the related assets. WEST will also pay Willis a fee of 3.0% of the net proceeds from the sale of any related asset.

5. Amended and Restated Administrative Agency Agreement dated as of March 3, 2020, which amends and restates the Administrative Agency Agreement entered into in connection with the Original Transaction, among WEST, Willis, as administrative agent and DBTCA, as trustee, providing for the appointment of Willis as the administrative agent of WEST and its subsidiaries.

6. Revolving Credit Agreement dated as of March 3, 2020 among WEST, Willis, as administrative agent and Bank of America, N.A., as initial liquidity facility provider, providing for a revolving loan that may only be applied to certain of WEST’s obligations, including interest on the Notes for a specified period.

Each of these agreements contains customary representations, warranties, covenants and events of default for a transaction of this type.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information contained under Item 1.01 above is incorporated by reference into this Item 2.03.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

WILLIS LEASE FINANCE CORPORATION

Date: March 4, 2020

By: /s/ Dean M. Poulakidas
Dean M. Poulakidas
Senior Vice President and General Counsel