

Bond Protection

CTC offers a unique £40,000 'Bond Protection' package which is believed to be the largest financial risk protection arrangement for ab-initio training in the industry. The package provides substantial financial risk protection to a CTC Wings Cadet during the ab-initio or CPL/IR stage of training, where up to £40,000 of your security bond may be refunded by CTC in the unlikely event of course failure. More than 98% of our cadets complete training with flying colours. However, this 'Bond Protection' offers the added reassurance that your investment will be further protected in addition to our strong track record of success through training.

Professional and Career Development Loans

Professional and Career Development Loans are bank loans that can be used to help pay for work related learning. You can borrow between £300 and £10,000 to help support the cost of up to two years of learning (or three years if it includes one year's relevant unpaid practical work).

The Learning and Skills Council will pay the interest on the loan while you are learning and for one month afterwards. The loan can be used to pay course fees or other costs such as travel and living expenses. You can also use the loan to supplement other forms of support such as grants or bursaries. Because the Professional and Career Development Loan is a commercial loan product, it should only be considered as an option once all other student funding options have been investigated.

For further information on financial assistance to support your learning, please visit www.direct.gov.uk/adultlearning or contact Careers Advice on 0800 100 900.

Our frequently asked questions section (FAQ's) found on the homepage of the CTC Wings website (www.ctcwings.com) contains further information about the finances associated with the CTC Wings programme.

Selection Fee

Please note that a selection fee of £192.00 including VAT is payable by applicants who successfully complete phase 1 of the application process and wish to move onto the next phase.

PLEASE NOTE THAT ALL PRICES, COSTS AND TERMS QUOTED IN THIS DOCUMENT ARE INCLUSIVE OF VAT (WHERE APPLICABLE) AND ARE CORRECT AT THE TIME OF GOING TO PRINT, BUT MAY BE SUBJECT TO CHANGE WITHOUT NOTICE.

Employment

Upon successful completion of the ab-initio training and Airline Qualification Course, there are three ways that a CTC Wings Cadet pilot might enter into employment:

CTC FlexiCrew

The pilot is contracted by CTC to fly for an airline and undertakes type rating training with CTC. The pilot is required to contribute £8,760 to the cost of this type rating training.

Upon successful completion of type rating training, the pilot will initially continue under sponsorship with APL who will provide the pilot's services to the airline as a First Officer. During this initial 8 month line training experience the pilot will receive a subsistence allowance of approximately £1,200 per month, although this may vary by airline.

After completing this period of line flying experience and where there is a continued requirement for flying with an airline, the pilot is employed as a CTC FlexiCrew pilot by another CTC company, Airline Recruitment Limited (ARL), who in turn continues to provide the pilot's services to the airline. The CTC FlexiCrew pilot's specific terms and conditions during employment are detailed at the time employment is offered.

Cadet Entry

Upon successful completion of type rating training, the cadet will initially continue under sponsorship with APL who will provide the cadet's services to the airline as a First Officer. During this initial 8 month line training experience the cadet will receive a subsistence allowance of approximately £1,200 per month, although this may vary by airline. The cadet is employed by the airline at the end of the 8 months line flying experience and APL transfers the security bond to the employing airline.

During employment, the cadet pilot receives a cadet entry salary from the airline, and in addition to this, repayment of the bond. Bond repayments made by the airline to the cadet are only made while the cadet is employed by that airline. Repayments would cease if the cadet pilot left the airline.

Direct Entry

The cadet is employed by the airline and forfeits the bond held by APL. During employment, the pilot receives a Direct Entry Pilot salary from the airline. If the airline has paid for the type rating training they will generally bond the pilot in the form of a "paper bond" over a specific number of years. Generally the bond owed decreases pro-rata over the specified bond period. If the pilot leaves the airline before the end of that period, they will be required to pay the amount of bond outstanding to the airline.

WHERE THE BEST PILOTS TRAIN

CTC Wings is the one of the world's top flight airline pilot training programmes, turning dreams into exciting careers with world-class airlines. The cadet programme offers the opportunity for pilots with varying levels of experience to receive airline standard training from CTC Aviation and benefit from the unique placement opportunities CTC is renowned for.

CTC has an unrivalled placement record. Our goal is to secure placement as a first officer with one of our existing or future Partner Airlines for all of our graduate pilots on completion of their training. Since we launched the CTC Wings Cadet route, we have consistently maintained a 100% placement record and we are committed to exploring the best possible opportunities for our pilots. Our track record over recent years is proof of this commitment and we are confident that there will be a sustained demand for new pilots throughout 2012, 2013 and beyond.

We appreciate that raising the finance to commence flight training can be an onerous task. This leaflet aims to answer some of your funding questions and further information can be found on our website www.ctcwings.com

CTC WINGS CADET

Finance

CTC Aviation Group plc

Email: ctcwings@ctcaviation.com

Web: www.ctcwings.com



Funding

CTC and, where applicable, your partner airline pay for all training and associated costs throughout the CTC Wings cadet course until the end of ab-initio training and the Airline Qualification Course (a three week bridging course between ab-initio and type rating training). This sponsorship represents a significant investment and hence exposure to CTC and, where applicable, the partner airline. Therefore, we require that you deposit a security bond of £69,000 which will be held by Airline Placement Limited (APL), a subsidiary of CTC.

The Foundation Course is funded separately and you will be required to pay this prior to the start of flight training, generally four months into the CTC Wings cadet course.

The funding required is outlined below:

- Security Bond - £69,000 payable in 12 instalments;
- Foundation Course - NZ\$21,000 (Approximately £10,000 depending on current exchange rates). You are required to pay for this course prior to the flight training in New Zealand;
- Recommended Living Expenses - £5,000 per year for each of the 2 years of training.

Security Bond

You deposit the security bond in 12 instalments over the period of your basic training and it is then held until your placement with one of our partner airlines.

There are many ways of raising the security bond and your chosen method will depend on your own personal financial position. If you have access to the funds, you may choose to finance the security bond personally. Alternatively you may wish to obtain loan financing through a high street bank. Some of our applicants secure their loan through the Spanish bank, BBVA, and some FAQ's on these processes can be found within this handout.

The first instalment of the security bond is due one month before the course starts and the second instalment is due six months later. Thereafter, the instalments will be required at monthly intervals until the full value of the security bond has been paid.

Foundation Course

The initial phase of flying training, post completion of the ATPL theory teaching and exams, is called the Foundation Flying Phase. Cadets often have varying levels of experience when starting the course, therefore the hours required for this phase of training can differ. The course is delivered by CTC Aviation Training (NZ) Limited and you are required to pay this prior to commencement of your flight training in New Zealand. Any unused flying hours during the Foundation Course will be repaid to you pro-rata at the end of the Foundation Flying Phase.

Funding Option - BBVA

BBVA are a London based Spanish bank that will accept applications for the funding of pilot training.

Guarantee required	Mortgage over a property in the UK
Maximum amount	Full cost of the course plus expenses if required
Repayment period	10 years maximum (including 18 month payment holiday period)
Interest	2.5% plus Bank of England base rate (variable). The overall cost for comparison is 3.6% APR. The actual rate available will depend upon your circumstances. Ask for a personalised illustration.
Insurance	You will be required to take out life insurance to cover the repayment of your loan in the event of your death before the maturity of the loan. Building insurance over the secured loan will also be required.
Payment holiday	18 months. Interest will be charged during the payment holiday period and will be added to the loan balance.
What happens after the Payment Holiday?	For up to 24 months after the payment holiday period, repayments of the loan can be reduced by 25% of the calculated normal monthly repayment.*
Set up commission	£650 (any further increases or modification will incur a commission of £350.00)
BBVA Legal expenses.	The exact amount will depend on your circumstances but it is estimated that it will be approximately £850 in England and Wales and £1,000 in Scotland and Northern Ireland (including estimated third party guarantor's legal fees)
Full or partial early cancellation commission	No fee for early repayment
Independent Legal Advice	Any third party chargors will be required to obtain independent legal advice at own cost prior to granting the charge.
Other conditions	You will be required to open a current account with BBVA London and for the first 4 years of the loan any salary received must be paid to that account.

Loan Repayment examples per month:

Loan amount	Repayments from month 19 without 25% reduction	With 25% monthly reduction for 24 months from month 19	Repayments from 43rd month until maturity
£80,000.00	£930.32	£697.74	£1,011.49

The above payments are indicated as a guide only based on the current bank of England Base Rate of 0.5%.

Lending is subject to your and any guarantors' credit status. Selected pilot training courses only. Loans are offered on a non-advised basis

only: BBVA does not give advice on the merits of entering into a particular mortgage contract.

BBVA is a bank that provides some lending services. The address of its principal office in the UK is 108 Cannon Street, London EC4N 6EU. Additional taxes or charges not imposed or paid by BBVA may apply to your Pilot Training Loan. The information provided above is valid for 6 months from the date it is handed to you. The law of England and Wales shall be taken by BBVA as the basis for the establishment of relations with you prior to the signing of your pilot loan agreement. The contractual terms and any written information during the agreement will be in English. BBVA is a trading name of Banco Bilbao Vizcaya Argentaria, S.A. Incorporated in Spain with limited liability. Registered in England (Company No. FC014702). Authorised by the Bank of Spain and subject to limited regulation by the Financial Services Authority. Details about the extent of the regulation by the Financial Services Authority are available from BBVA on request.

BBVA FAQ's

How long does the loan application process take?

You should receive feedback from BBVA within 7-10 days of the application being received. Once the loan is approved and if the bank is taking a 'Legal Charge' on a property, the funds are available on average within 8 to 10 weeks. Please note that the guarantors will be required to seek independent legal advice from their own solicitor prior to signing the 'Legal Charge' form.

Do you lend to customers who already have loans secured against the property?

BBVA are able to lend subject to documentation presented if the first lender gives BBVA consent to a second charge over the property. If there are two existing charges on a property BBVA are unable to secure a third charge even if there were to be sufficient equity on that property.

Do I have enough equity in my property?

The maximum 'Loan to Value' BBVA will consider is 60% of the value of the property including any existing mortgage (i.e. house value £100,000, existing mortgage £20,000, the maximum BBVA can lend is £48,000)

Can the charge be secured against a property outside the UK?

Only if the property is in Spain (other conditions apply).

How is interest calculated?

Interest is calculated and charged only on the amount of the loan utilised and not on the undrawn amount.

When does the ten year period of the loan begin?

The start date of the loan will be the day of the first drawdown of the funds. The first repayment is due on the 19th month after the initial drawdown date.

Are there any redemption or over repayment charges?

There are no charges for redemption or over payments

Is life insurance compulsory?

BBVA require a life insurance policy for the full amount of the loan plus 5% to be assigned to the Bank for the duration of the loan.

What happens if I don't complete my training for any reason?

Repayments will be recalculated on the amount of the loan utilised.

What happens if I don't get placed with an airline for some period of time after training is complete?

The normal repayment plan will continue.