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# Enhanced Equipment Trust Certificates (EETC) Model

## Model Summary Document (MSD)

### 1. Model Purpose and Description

The EETC Model is designed to calculate loan-to-value (LTV) ratios for enhanced equipment trust certificates (EETCs) transactions under both base and stress scenarios. The scope of the model is limited to aircraft-backed EETCs. It is structured as a simple Excel spreadsheet and primarily evaluates asset value risk for aircraft collateral, integrating various asset depreciation rates and value stresses to determine LTV ratios over the life of the transaction. This model is utilized to assess the credit quality of senior and junior tranches in EETC transactions.

### 2. Model Assumptions

The assumptions in the model are described in Fitch's criteria

- Aircraft Enhanced Equipment Trust Certificates Rating Criteria

### 3. Model Inputs

The main inputs used in the model are:

- Type of aircraft.
- Aircraft build year.
- Initial loan principal amounts and amortization schedule.
- Aircraft value stress adjustments.
- Indicative coupon rates. These inputs are used to calculate the stressed LTV ratios, which are central to determining the ratings of EETC tranches.

### 4. Model Development Data

Not applicable to this rating model as it does not use historical data for its development and calibration, and it only uses issuer specific data and other related data as described in the relevant criteria and/or RAC.

### 5. Model Limitations

The model is intended only to analyse aircraft enhanced equipment trust certificates within the scope of Fitch's "Aircraft Enhanced Equipment Trust Certificates Rating Criteria".

### 6. Material Changes

The current model version is 2.3.x. Any future material changes will be disclosed in this section.

## Contact Information

model_disclosure@fitchratings.com