PART C - COMPONENT SUPPLEMENTAL AGREEMENT

TO THE COMPONENT REPAIR AND OVERHAUL GENERAL TERMS AGREEMENT

between



and

TABLE OF CONTENTS

Article C0	Definitions
Article C1	Term
Article C2	Specification of the Services
Article C3	Turn around Times
Article C4	Prices, Payment address
Article C5	Warranty
Article C6	Buyer's Designated Representatives and Seller's Representatives
Article C7	Miscellaneous
Article C8	Place of Delivery and Redelivery
Article C9	Scrapping
Article C10	Governmental Authorizations
Schedule C1	Part Numbers, Descriptions of Components, Prices, Exclusions and SPT of the Services.
Schedule C2	Services.
Schedule C2 Schedule C3	Services. Performance Measurement
Schedule C2 Schedule C3 Schedule C4	Services. Performance Measurement Buyer's Designated Representatives & Seller's representatives
Schedule C2 Schedule C3 Schedule C4 Schedule C5 Schedule C6	Services. Performance Measurement Buyer's Designated Representatives & Seller's representatives Seller's EASA Part 145 certificates Seller's 14CFR Part 145 certificates Safety Plan
Schedule C2 Schedule C3 Schedule C4 Schedule C5 Schedule C6 Schedule C7	Services. Performance Measurement Buyer's Designated Representatives & Seller's representatives Seller's EASA Part 145 certificates Seller's 14CFR Part 145 certificates Safety Plan Buyer's and Seller's Insurance Certificates
Schedule C2 Schedule C3 Schedule C4 Schedule C5 Schedule C6 Schedule C7	Services. Performance Measurement Buyer's Designated Representatives & Seller's representatives Seller's EASA Part 145 certificates Seller's 14CFR Part 145 certificates Safety Plan

RECITALS

Whereas Buyer and Seller are parties to that certain Component Repair and Overhaul General (the "Agreement") and in accordance with the terms thereof, Buyer and Seller desire to enter into this Component Supplemental Agreement (CSA) for the purpose of establishing the specific terms and conditions applicable to the provision of Services (as per Article C2 – Specification of the Services) to be provided by the Seller designated above to Buyer.

DEFINITIONS

"Anniversary"	means each anniversary date of the Effective Date during the Term
---------------	---

of this Agreement (the date, which comes up every

months from the Effective Date).

"BER" shall mean Beyond Economical Repair. For the purpose of this

Attachment, a Component shall be deemed BER if the price charged by Seller to return the Component to a Serviceable Condition would exceed of the catalogue

list price for the said Component.

"Buyer's Facility" shall mean Buyer's shipment address located at the address set

forth in Article C8.1.2.

"Buyers needed date" shall mean the agreed Redelivery date of a Landing Gear.

"Consumable Parts" shall mean the Parts that will be replaced per the CMM during every

Overhaul and/or Repair service of the Component.

"CSO" shall mean Cycle Since Overhaul.

"Delivery" shall mean, with respect to any Component, the act by which

makes the Component in Unserviceable Condition or Standard Exchange Component available to pursuant to the Incoterms

EXW Buyer's Facility.

Exchange Landing Gear" shall mean a Landing Gear Shipset of Seller in Serviceable

Condition, meeting the Technical Specification and complying with

the requirements of this CSA.

"Flat Fixed Price(s)" shall mean the fixed prices according to article C4.1.

"GSPT" shall mean "Guaranteed Shop Processing Time" within which

undertakes to perform the Services and to Redeliver the Landing

Gear and/or Landing Gear Shipset.

"GTAT" shall mean the Guaranteed Turn Around Time, that is the total of the

GTT both ways and the GSPT.

"GTT" shall mean Guaranteed Transportation Time as specified in Article

2

"Incoterms" The delivery conditions as published by the International Chamber

of Commerce (ICC) by its latest revision of 2010 (or its most recent

edition).

"Inflation Rate" means an increase in average annual customer price index

characterized by the percentage change of the average price level of latest twelve months against the average level of previous twelve months published for the Czech Republic by Czech Statistical Office

https://www.czso.cz/csu/czso/inflation rate.

"Landing Gear" (LDG) shall mean one complete nose, left main or right

main landing gear.

"Landing Gear Shipset" shall mean one landing gear shipset consisting of a

nose, left main and right main Landing Gear.

"LDG Single Components" shall mean a Component which may normally be removed from the

Aircraft without removal of Landing Gear, these Components are

sent separately for test or Overhaul to the Seller.

"Loan Landing Gear" shall mean a Landing Gear that is loaned by Seller to Buyer on

previously mutually agreed terms and conditions.

"OEM" shall mean the original manufacturer of any Part or Component.

"Overhaul (OVH)" shall mean the work necessary to return a Component to an

overhauled certified condition, and in the case of Life Limited Parts to zero TSO and CSO, in accordance with the CMM and the

requirements of this CSA.

"Redelivery" shall mean, with respect to any Component, the act by which Seller

makes the Component in Serviceable Condition or Standard Exchange Component available to pursuant to the

Incoterms DDP to Buyer's Facility.

"Repair" The disassembly, inspection rework of Parts as necessary,

reassembly, and testing as required to return the Component to a

Serviceable Condition.

"Scheduled Landing Gear Removal Program"

shall mean the scheduled Landing Gear removals as specified in

Schedule C1 Annex B (Scheduled Landing Gear Removal Program) of the CSA and as may subsequently vary from time to

time in accordance with Article C7.

"Seller's Facility" shall mean Seller's shipment address located at the address set

forth in Article C8.1.1.

"TBO" shall mean Time Between Overhaul.



"Technical Specification"

shall mean the latest version described technical specification as set out in Annex E (Technical Specification) of the CSA which may vary from time to time in accordance with Buyer Orders; If this latest version has any financial impact to Seller, Seller has the right to renegotiate the prices accordingly.

"TSO"

shall mean Time Since Overhaul.

"Unserviceable Condition"

shall mean, with respect to a Component, not in a Serviceable Condition.

"Workscope"

shall mean the document, in compliance with the OEM CMM, written and approved by Seller's engineering staff describing the prescribed Service or approach to Repair of identified Component to meet the requirements of the Order for such Component. The Workscope shall be established by Seller, based upon the Services Specification, the Technical Specification, the actual condition of the Component, and shall be submitted by Seller to Buyer for Buyer's approval, such approval not to be unreasonably withheld or conditioned. The Workscope shall, at such time of Buyer's approval, supersede the requested Technical Specification and shall be utilized by Seller in the performance of the Services on the referenced Component. The Workscope shall incorporate SB's which have been selected and agreed by Buyer

ARTICLE C1 - TERM

This Component Supplemental Agreement ("CSA") shall enter into force and effect on 1st of January, 2017 and provided the Agreement is in force and applicable unless sooner terminated pursuant to Article A10 (Termination) of Part A of the Agreement or pursuant to Art. C4.3 hereof.

Beyond this date, the CSA may be renewed by way of amendment provided the Agreement is in force and applicable.

The CSA shall be effective for the period of time determined in the CSA, it being agreed that the duration of the CSA shall not exceed the duration of the Agreement.

ARTICLE C2 - SPECIFICATION OF THE SERVICES

C2.1 Scope.

This CSA defines the Services and the specific terms and conditions under which Seller shall provide such Services on Components, which are listed in Schedule C1 Annex A hereto.

By executing this CSA, the Parties expressly agree that all provisions of the Agreement shall apply to this CSA, except to the extent that this CSA expressly stipulates otherwise.

Seller shall only install, and Buyer shall only provide to Seller, approved OEM Parts or any Part which has FAA 8130-3 or EASA Form One Certificate of Conformity in accordance with EASA and

FAA requirements and as acceptable by Buyer through its quality system. Seller shall not be entitled to provide and install PMA Parts, only after Buyer's prior written approval

C2.2 Certification release of Serviced Component.

Components Serviced by Seller under this CSA, shall be Redelivered with a valid Authorized Release Certificate (ARC) EASA Form 1 and FAA Form 8130-3 indicating dual release or other serviceable tag type requested on the Order, as further specified in Schedule C1 Annex C.

ARTICLE C3 – TURN AROUND TIME

C3.1 Landing Gear and Landing Gear Shipset

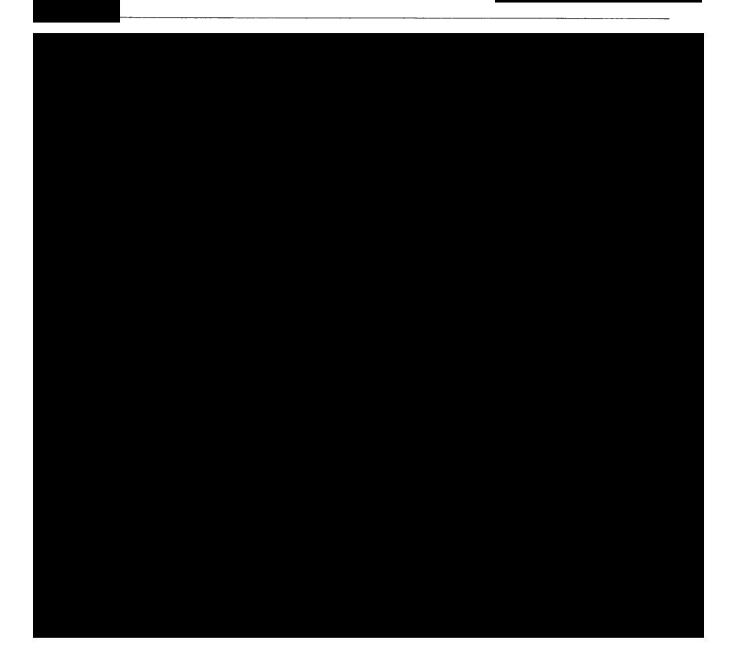


C3.2 LDG Single Components

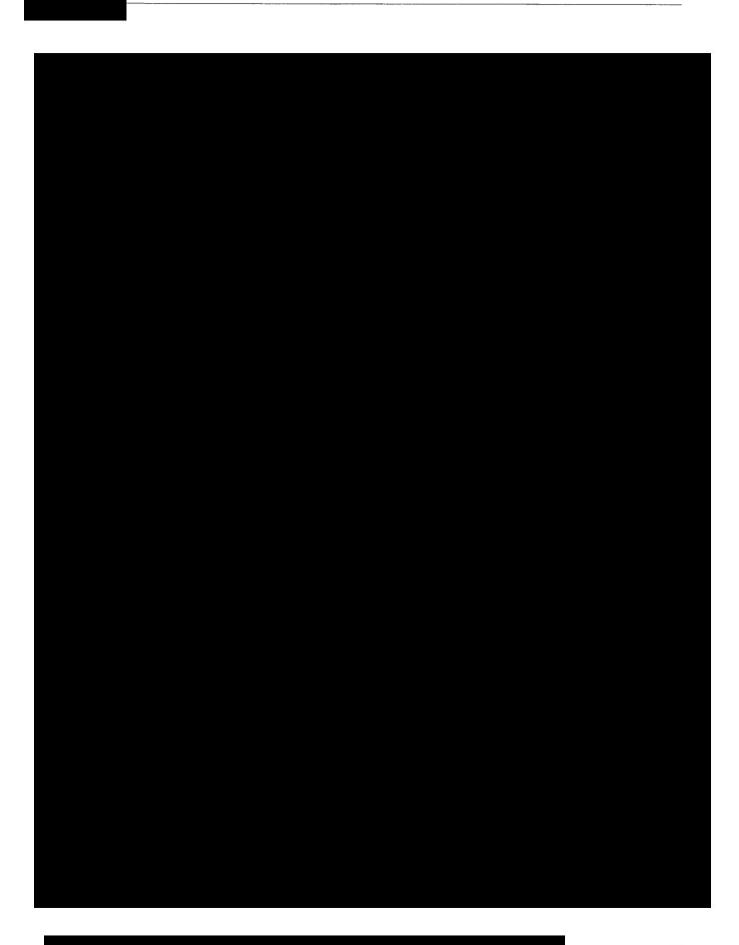
Seller undertakes to complete the Services on the LDG Single Component within the TAT specified in Schedule C1. Annex G.

ARTICLE C4 - PRICES





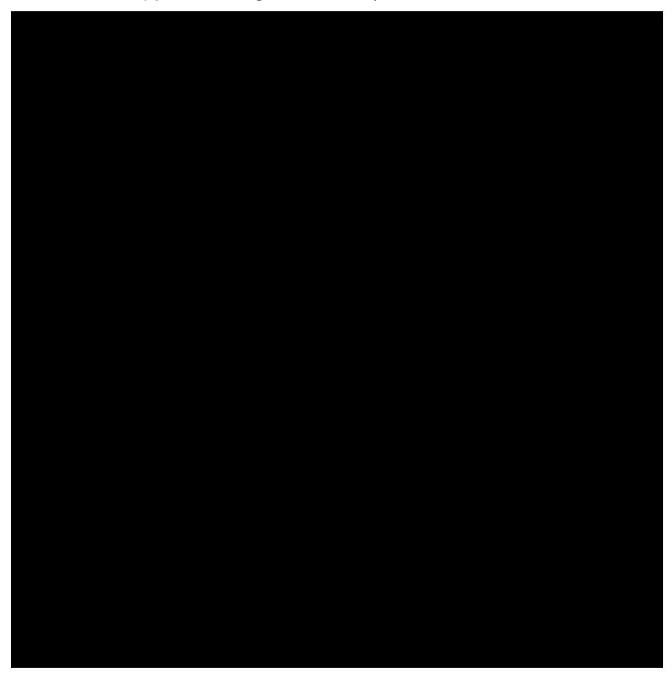






ARTICLE C5 - WARRANTY

The Seller warrants that all Services performed by Seller under the Agreement and CSA are performed at agreed standards between the Parties and shall be free from defects in workmanship as a result of incorrect Repair and that materials manufactured by Seller shall be free from defects in material and workmanship. Seller warrants that Seller will only supply materials that comply with the Boeing Standards and Specifications.



ARTICLE C6 - BUYER'S DESIGNATED REPRESENTATIVES AND SELLER'S REPRESENTATIVES

In order to coordinate and to manage all the tasks for which Seller and Buyer are responsible, Seller and Buyer will nominate an operational leader, who will be Seller's Designated Representatives and Buyer's Designated Representatives who are tasked with the co-ordination between the Parties during the performance of this CSA. Any changes to Designated Representatives shall be updated by email.

The contact details of the Buyer's Designated Representatives and Seller's Representatives are listed in Schedule C3 (Buyer's Designated Representatives & Seller's representatives) to this CSA.

ARTICLE C7 – MISCELLANEOUS

C7.1 - AGREED SCHEDULED LANDING GEAR REMOVAL PROGRAM

The Parties shall discuss and negotiate in good faith a Scheduled Landing Gear Removal Program updating rules and obligations for both Parties regarding such program as described hereafter:



C7.2 Loan Landing Gear

C7.2.1 Background

As agreed by the Agreement, Seller shall provide, if requested, the Buyer with spare Landing Gears for a loan (Loan LDG), which are configured to suit the Buyer's aircraft configuration.

C7.2.2 Loan Period

The Loan period will commence when the Loan Landing Gear is dispatched to the Buyer and will end when the Buyer returns the Loan Landing Gear to the Seller's Facility in accordance with the provisions of Article C 7.3.

C7.2.3 Loan LDG treatment

The Buyer shall hold the Loan Landing Gear in good operating order and condition in strict accordance with the manufacturer's recommended maintenance procedures and shall return the Loan Landing Gear to the Seller in the same condition as delivered to Buyer, ordinary and reasonable wear and tear excepted. If for any reason the Loan Landing Gear is returned to Seller in a condition other than as delivered to the Buyer, the Buyer shall pay to the Seller all reasonable expenses for correction of such condition. Such payment shall be due from Buyer to the Seller on demand. The Buyer further agrees that it will not permit, without securing Seller's express written consent thereto in advance, any charges for modifications, alterations or additions to the Loan Landing Gear.

If the Loan Landing Gear fails in any aspect of the recertification process, Buyer shall be responsible for the reasonable cost of Repairs and/or maintenance as necessary to cause the Loan Landing Gear to meet requirements thus allowing recertification.

C7.2.4 Loan LDG Insurance

During the Loan period, the Buyer shall at all times bear all risk of loss, damage, destruction, or confiscation of or to the Loan Landing Gear, whether or not the Loan Landing Gear is installed to the Buyer's Aircraft, the Buyer is obliged to have in effect and maintain the insurance in compliance with the insurance requirements as specified in the insurance article of the Agreement.

Loan Landing gear per each slot requested by Buyer shall be specified in a separate Loan Agreement to be agreed between the Parties, including full replacement value intended for purpose of insurance.

Upon request of Seller, Buyer shall provide a certificate of insurance evidencing all the insurance coverage.

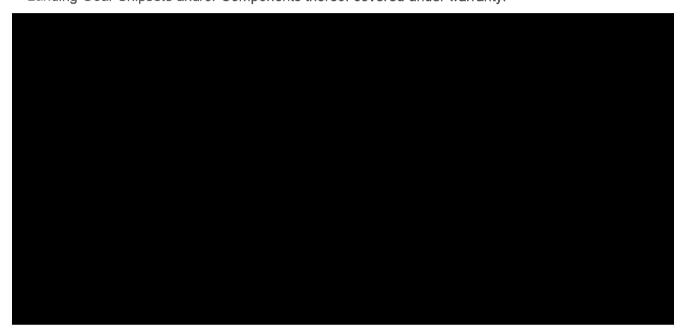
C7.2.5 Loan LDG Warranty

The Seller warrants that the Loan Landing Gear or Components thereof Delivered to the Buyer, shall be free from defects in material and/or workmanship performed by the Seller and shall conform to applicable specifications. If any breach of this warranty shall occur within the term of the Loan period, after the Loan Landing Gear is Delivered to the Buyer, the Buyer shall give the Seller written notice thereof

The Seller shall, as promptly as possible after receipt of such notice, take at its own cost all such

actions as may be reasonably necessary to Repair or replace the defective Landing Gear and/or Component thereof, including Repair or replacement of any Components that are not in compliance with applicable specifications.

The Seller shall, at no cost to Buyer, pay round-trip costs of transportation for all Landing Gears Landing Gear Shipsets and/or Components thereof covered under warranty.



C7.3 Transportation

C7.3.1 Transportation Landing Gear Shipset/LDG Single Components

In deviation to Article B1.2.2 and B1.2.7 of the Agreement the following shall apply:

The Seller shall Deliver and Redeliver the Landing Gear and/or Components (which are part of Landing Gear Overhaul), whether in Serviceable or Unserviceable Condition according to DDP conditions (Incoterm ICC 2010)

The transportation costs between Seller's Facility above borne by Buyer, as specified in article C4.2.5.

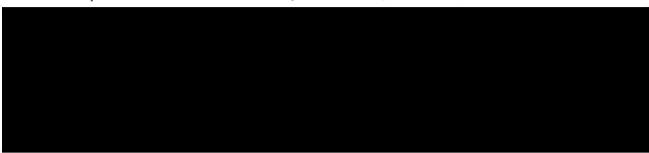
Transportation of Components, which are based on individual Repair Order and are not part of Landing Gear Overhaul, will be charged by Seller to Buyer as additional cost to CFP.

Buver undertakes to make the Landing Gear in an Unserviceable Condition available for collection after the installation date of the Landing Gear in Serviceable Condition (as per Schedule 1 Annex B – Scheduled Component Removal Planning) according to EXW conditions (Incoterm ICC 2010).

The Delivery and Redelivery of LDG Single Components, from Buyer to Seller, shall be borne and organized by Buyer.









C7.4 LIQUIDATED DAMAGES

C7.4.1 Penalty



C7.4.2 Non conformity

For the purpose of this article, an "Anomaly" means any nonconformity preventing the installation of the Landing Gear and/or Component thereof on the Aircraft limiting the operations of the Aircraft and resulting solely from Seller's action or omission while performing the Services.

If an Anomaly is recorded by Buyer and caused by Seller following inspection as per article C7.7.2,

In case of Standard Exchange Component (only in case the Component is a part of Landing Gear Overhaul) and/or an Exchange Landing Gear, the GTAT due date will be the same as Buyers needed date.

C7.5 Non-Exclusivity

The Services agreed in this Attachment are agreed on a non-exclusive basis and Buyer reserves the right to contract third parties for the performance of the Services.

C7.6 LLP management

C7.6.1 All Life Limited Parts installed on the Landing Gear, subject to a Redelivery, must have sufficient remaining life time and cycles to prevent their removal prior to the next scheduled Overhaul of the entire Landing Gear as per the Buyer Landing Gear TBO and CSO mentioned in the Technical Specification Schedule C1 Annex E, unless otherwise specified by Buyer in writing.

Should Seller or Buyer detect a risk of Life Limited Parts, each Party shall inform immediately the other Party. In this case, both Parties agree to make appropriate decision in advance in order to secure the provisioning lead time of such Parts.

C7.6.2 In case of non-respect of article 7.6.1, Seller shall replace at its own expense all the Life Limited Parts not in accordance with the article above.

Such replacement shall include, if necessary, a free of charge on wing removal.



C7.7 Missing or damaged Parts

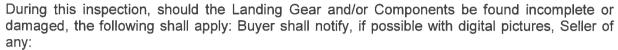
For the purpose of Landing Gear, this article C.7.7 cancels and replaces article B1.2.3.

C7.7.1 Outgoing inspection on Buyer's premises

Before Delivery of any Landing Gear in Unserviceable Condition will be delivered by Buyer to Seller at Buyer's Facility, Buyer shall conduct an inspection of the Landing Gear and/or Landing Gear Shipset at Buyer's Facility.

Seller may attend such inspection. In such a case, the inspection shall be organized at a date mutually agreed by the Parties.

This inspection shall be conducted on the basis of the check-list prior agreed upon between Seller and Buyer.



- (A) Parts missing from the Landing Gear and/or Components.
- (B) Parts found to have been damaged during removal of the Landing Gear and/or Components from the Aircraft.

Seller shall replace such missing or damaged Parts at Buyer's expense as per Schedule C1 Annex. A 2.2.

This process may be adapted between the Parties after the Delivery of the first Landing Gear and/or Landing Gear Shipset.

C7.7.2 Incoming inspection on Seller's premises

of any Landing Gear in Unserviceable Condition from another place than Buyer's Facility, Seller shall conduct an inspection of the Landing Gear and/or Components at Seller's premises. Buyer may attend such inspection.

During this inspection, should the Landing Gear and/or Components be found Delivered incomplete or damaged, the following shall apply:

Seller shall notify Buyer of any

- (A) Parts missing from the Landing Gear and/or Components.
- (B) Parts found to have been damaged during transportation or removal of the Landing Gear and/or Components from the Aircraft. Seller shall after written acceptance of Buyer replace such damaged Part at Buyer's expense. The notification shall be accompanied by a digital photo of the damaged Parts.

(A), Buyer shall decide either to supply at its own expense and risk the approved replacement materials or to have the replacement of these materials performed by Seller and to be charged accordingly with mark-up conditions.

In case Seller does not respect its obligation to provide list (A) from Delivery of the Landing Gear and/or Components, the replacement of missing Parts shall be at Seller's expense.

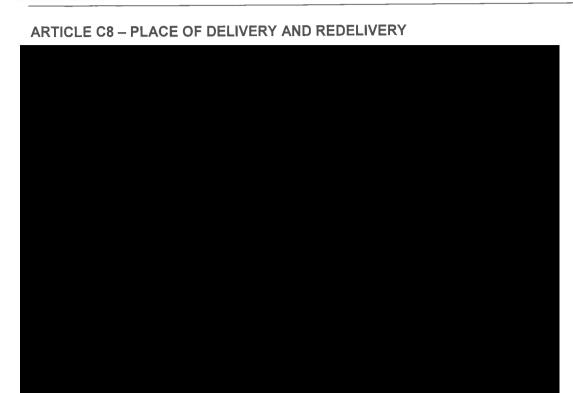
C7.8 Invoice process and Payment Terms

In addition to Article B5.2 of the Agreement the following shall apply:



C7.8.2 Logistic support

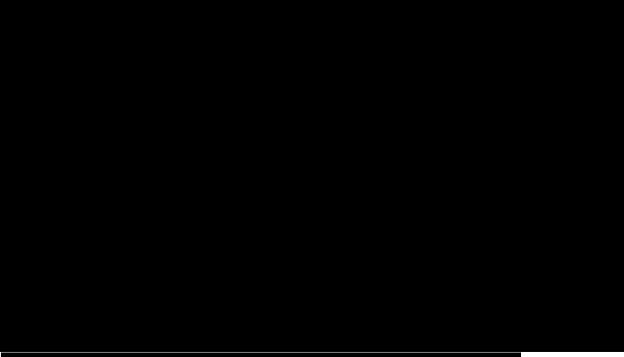
For the agreed Scheduled Landing Gear Removal Program, Seller shall deliver the Landing Gear and/or the Landing Gear Shipset as per the date and place of Redelivery agreed between the Parties



ARTICLE C9 – SCRAPPING

C9.1 Scrapping of Landing Gear or chargeable Part

In addition to article B3 (Scrapping) of the Agreement for the purpose of a Landing Gear and/or Landing Gear Shipset, the following shall apply:



Scrapped Components shall be stored by Seller for from Seller's written notification and until the acceptance by Buyer of the invoice related to such Scrapped Components.

For Scrapped Components which Buyer has accepted the invoice, Seller shall limit the storage before destruction at

During such above period, Buyer may inspect Scrapped Components on Seller's premises and/or repatriate it at its expenses for expert appraisal. For such purpose, the Seller may organize with Buyer a scrap review meeting in its premises.

At the end of such above period, Seller shall destroy the Scrapped Components except if Buyer is still requiring some Scrapping justification.

Buyer shall require the Scrapping certificate for all Parts Scrapped by Seller.

Seller shall provide individual Scrapping certificate for Parts and a batch Scrapping certificate for other Parts.

C9.1.3 Further to acceptance by Buyer of the Seller's expert appraisal, should Components be declared BER, an estimate of the Repair cost is to be presented by Seller to Buyer for approval

This estimate shall include Scrapping justification for each replaced item as specified in article 9.1.1.

ARTICLE C10 - GOVERNMENTAL AUTHORIZATIONS

Assign specific responsibilities for obtaining necessary governmental authorizations.

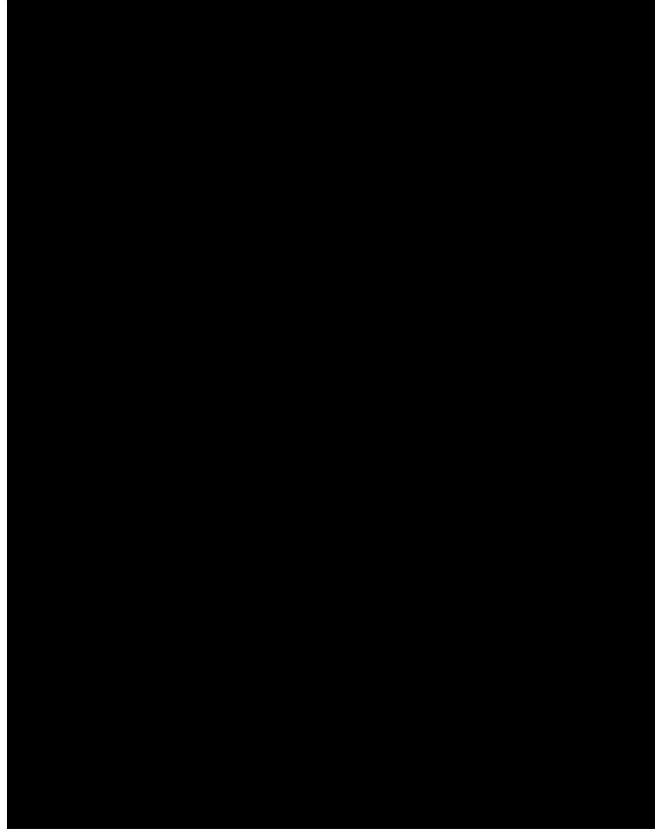
This CSA has been made in English, in two (2) originals, each Party having received one original, and has been executed by the Parties' duly authorized representatives:

Each Party acknowledges receipt of its own original executed version in the English language.

SIGNATURES

Date	27 DEC 2016
Ву	
Position	
Signature	
Ву	
Position	
Signature	<u>:</u>
Date	:
Ву	
Position	
Signature	
Ву	
Position	
Signature	







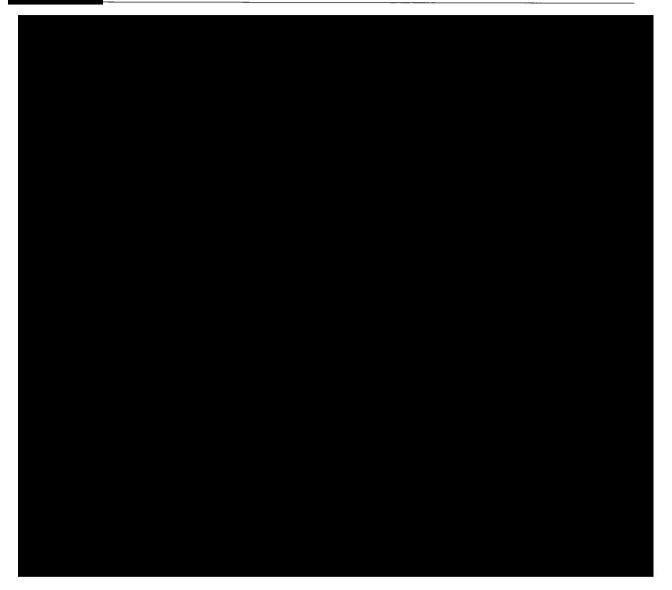
Confidential

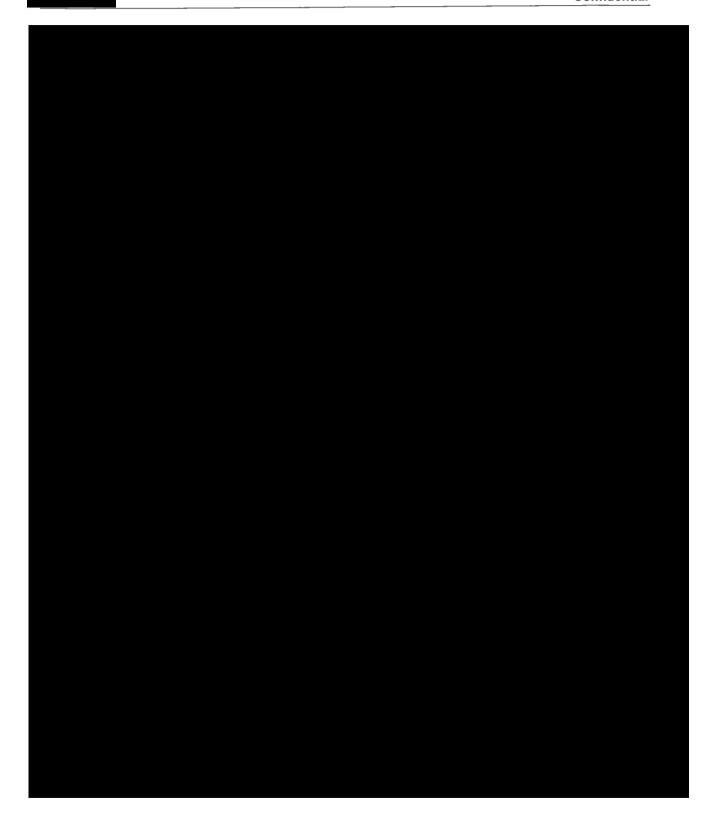




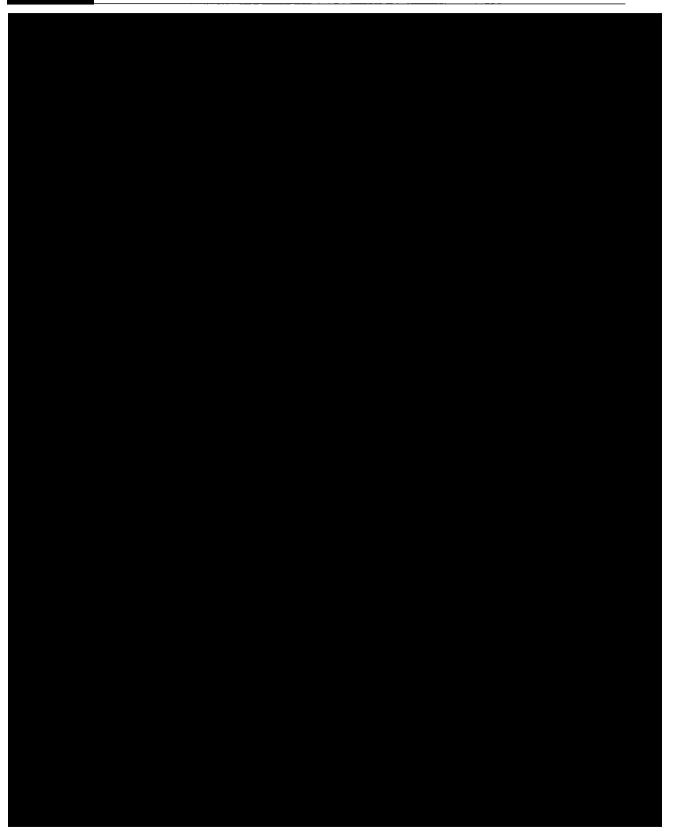












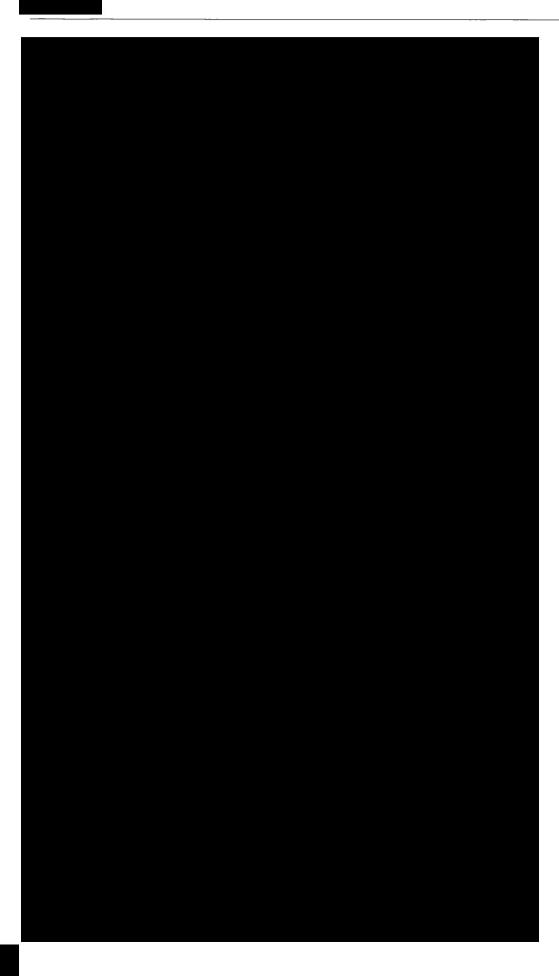


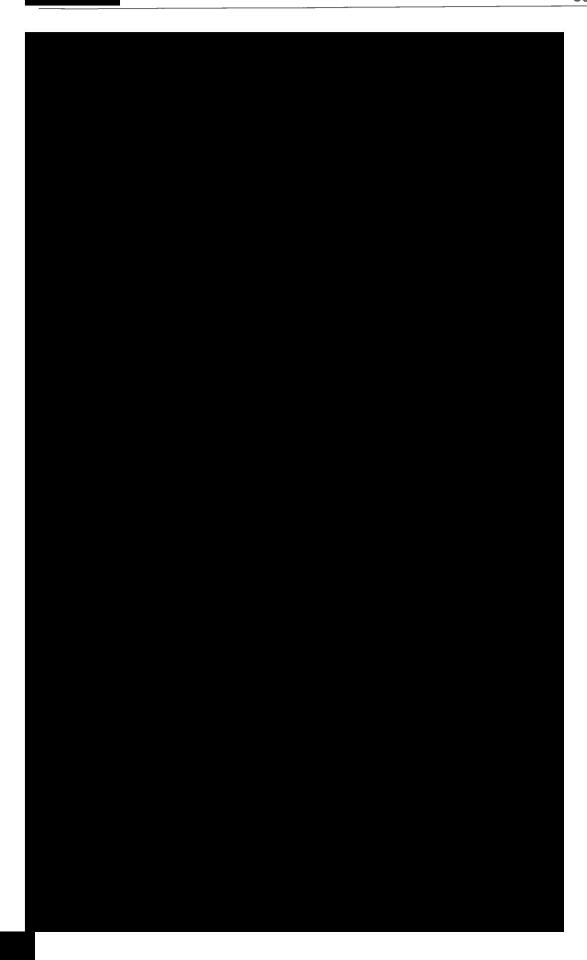
Confidential





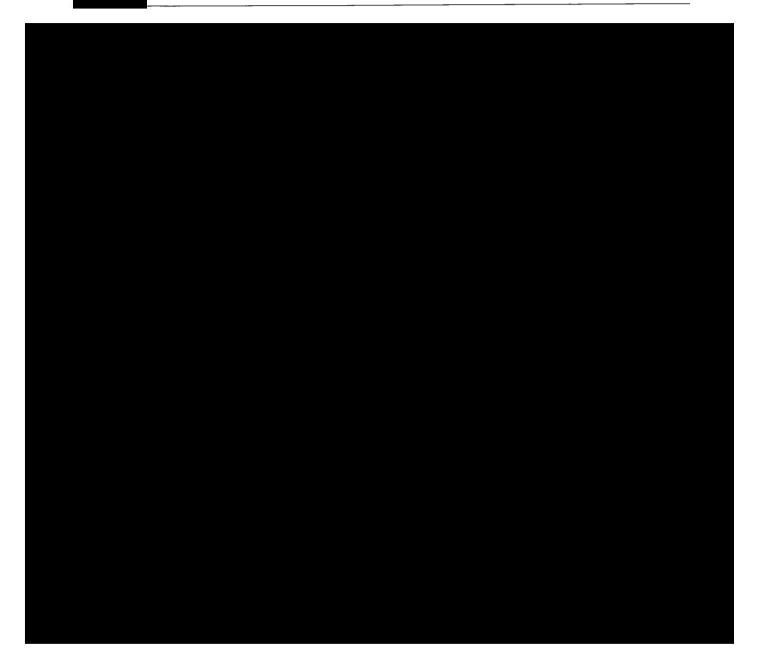












Confidential

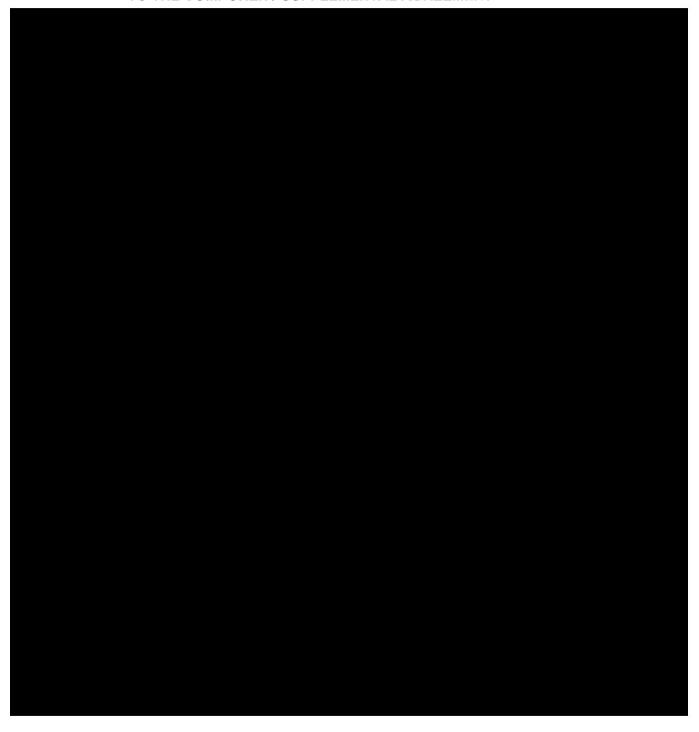


SCHEDULE C3 TO THE COMPONENT SUPPLEMENTAL AGREEMENT







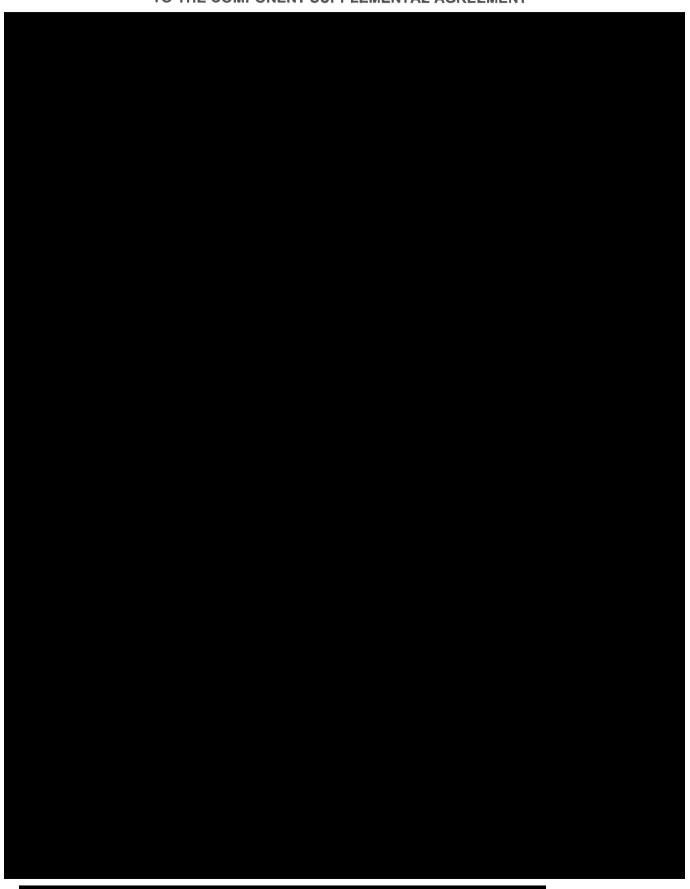


SCHEDULE C7 TO THE COMPONENT SUPPLEMENTAL AGREEMENT

SELLER'S INSURANCE CERTIFICATE

BUYER'S INSURANCE CERTIFICATE

SCHEDULE C8 TO THE COMPONENT SUPPLEMENTAL AGREEMENT



SCHEDULE C9 TO THE COMPONENT SUPPLEMENTAL AGREEMENT



This Agreement has been made in English, in two (2) originals, each Party having received one original.

SIGNATURES

Date : 27 DEC 2016

By :
Position :

Signature :

Position :

Signature :

Date : 30-12-2016

Position :

Ву

Signature

By :

Position :

Signature

