

**AGREEMENT No CSAT/2017/535**

**for**

**LANDING GEAR**

**Between**

**(hereinafter referred to as the “Customer”)**

**And**

**Czech Airlines Technics, j. s. c.**




**(hereinafter referred to as the “MRO”)**



(hereinafter referred to as “Customer”),






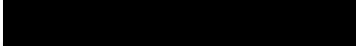
And

- (2) **Czech Airlines Technics, j. s. c.** with its registered office at Jana Kašpara 1069/1, 160 08, Prague 6 – Vaclav Havel Airport Prague, Czech republic, Company ID No: 271 45 573, VAT Reg. No: CZ699003361, registered in the Commercial Register administered by the Municipal Court in Prague, Section B, File 9307. 

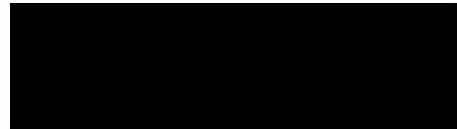
(hereinafter referred to as “MRO”),

(hereinafter referred to as “Parties of this Agreement”).

Whereas:

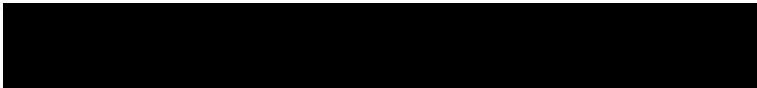

- A) MRO shall perform  aircraft as agreed by the Parties;
- B) Customer is the operator of  Aircraft;
- C) MRO is a provider of the maintenance, overhaul, repair and modification services of the  Customer under terms of this Agreement;
- D) Customer maintains  own fleet;
- E) Customer is willing to perform the services in accordance with the terms and conditions of this Agreement;
- F) The Parties wish to stipulate  concerning their liability and insurance requirements with respect to Landing Gear 



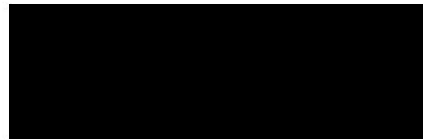


## DEFINITIONS AND ABBREVIATIONS

In this Agreement the following definitions apply:

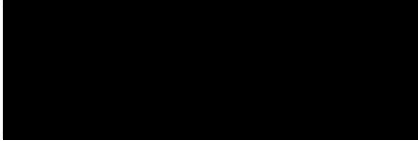
AD	Airworthiness Directive
Aircraft	
Agreement	This Agreement including any side-letters, attachments, exhibits and annexes hereto including all amendments and supplements to this Agreement as are agreed in writing between the Parties
Approved Data	Any information necessary to ensure that the aircraft or aircraft Component can be maintained in a condition such that airworthiness of the aircraft, or serviceability of operational and emergency equipment as appropriate, is assured
Approved Maintenance Repair Organization, or MRO	Maintenance, Repair, Overhaul provider approved and certified by national authority and additionally by EASA and/or FAA
Aviation Authority	The competent body responsible for the safety regulation of Civil Aviation in any relevant country
BER	Beyond Economical Repair; an Item is deemed to be BER in case the costs for rectification of the Item exceed or are likely to 
Certificate of Conformance, or COC	A document to certify maintenance or manufacturing according to stipulated process specifications.
Certificate of Release to Service, or CRS	The Certificate of Release to Service (EASA Form 1, FAA Form 8130-3) confirms on behalf of the Aviation Authority approved maintenance / production organization that, unless otherwise specified, the listed actions have been carried out in conformity with the Quality Manual by personnel with appropriate authorizations and in accordance with approved regulations. It also confirms that the aircraft Component has been released to service with respect to the work carried out
Components Maintenance	Any Components Maintenance Manual issued by the





Manual, or CMM	respective manufacturer
Component	A part, assembly (which can be installed as a unit and perform a distinctive function necessary to the operation of a system) or permanently installed emergency operation equipment; for the maintenance organization also a complete powerplant and its parts. Components require aviation authority approval (EASA Form One, FAA 8130-3 or equivalent).
CRIT/AOG	Critical or Aircraft on Ground, as such terms are commonly understood in the aviation industry
Day	Calendar day
Defect/s	Any confirmed abnormal or unusual condition of an Item following any of the Services rendered in respect of that Item under this Agreement whether or not this could eventually result in a failure
DER	Designated Engineering Representative
DOA	Design Organization Approval
Dual Release	<p>Certificate of Release to Service (CRS) valid for EASA/FAA customers, issued by a maintenance organization holding both an EASA Part-145 Approval and a FAA 14 CFR Part 145/TCCA CAR 573 Certificate, certified:</p> <p>on a EASA Form 1 including a CFR Part 43 Return to Service statement when the organization is located in an EASA country;</p> <p>on a FAA Form 8130-3 including and EASA Part-145.A.50 Release to Service statement when the organization is located in the USA.</p>
EASA	European Aviation Safety Agency
EASA Material Categories	<u>Aircraft Components</u> : A part, assembly (which can be installed as a unit and perform a distinctive function necessary to the operation of a system) or component, or permanently installed emergency operation equipment; for the maintenance organization also a complete powerplant and its parts. Aircraft Components require aviation authority approval (EASA Form 1, FAA 8130-3 or





equivalent)

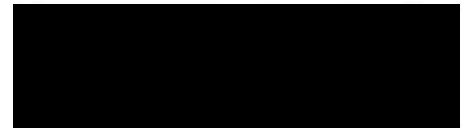
Standard Parts: Parts which are defined in conformity with a national / international standard or specification, e.g. DIN / MS / NAS, or which are defined by a type certificate holder in a standard parts manual which has been approved by his national authority

Raw Material: Semi-finished products, e.g. sheet metal, plastic profiles, which requires additional work before it can be used in a specific application

Consumables: Fluids, such as cleaning agents, pickling agents, primers, paints etc., for surface treatment, adhesives, additives for welding or plasma jet welding, or other auxiliaries or additives, such as lubricants and fuels

Extended Workbench	Non EASA Part 145 Organizations working under the quality system of a EASA Part 145 Approved Maintenance Organization (Sub-contracting)
FAA	Federal Aviation Administration of the United States of America
FOC	Free of Charge
IATA-DGR	International Air Transport Association – Dangerous Goods Regulations
INCOTERMS	Regulations of the International Chamber of Commerce for freight forwarding, including transportation insurance as published by the International Chamber of Commerce as “Incoterms 2000”
Inspection/To Inspect	The examination of/to examine an Item to establish conformity with an approved standard
Item/Maintained Item	Any level of hardware assembly (i.e. system, subsystem, module, accessory, Component, unit, Part, etc.) to be serviced under this Agreement, as specified in Attachment A or as agreed in writing between the Parties
Life Limited Part or LLP	means the limitation of use of a part in cumulative flight hour, flight cycles or days as specified by manufacturer or Aviation Authorities
LRU	Line Replaceable Unit



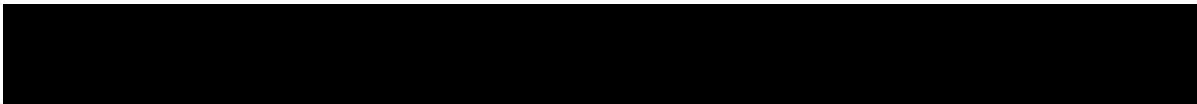


Maintenance/To Maintain	<p>Any one or a combination of Overhaul, Repair, Inspection, Replacement or Modification of an Item</p> <p>Those actions required for restoring or maintaining an item in serviceable condition, including servicing, repair, modification, overhaul, inspection and determination of condition.</p>
Mandatory Modification	Any Modification required by law, regulation or order issued by any competent body or Aviation Authority in any relevant jurisdiction
Materials	Any materials supplied to Customer by MRO as part of the Service of any Item
MLG	Main Landing Gear
Modification/To Modify	The alteration of/to alter an Item in conformity with an approved standard
NAA	National Aviation Authority
NDT	Non Destructive Testing
NLG	Nose Landing Gear
OEM	Original Equipment Manufacturer being the original manufacturer of an Item, Part or Component
Overhaul	The restoration of an Item by Inspection, replacement and/or Repair in conformity with an approved standard to a condition “as new”
Part	One or more pieces joined together which are not normally subject to disassembly without destruction of designed use
Party/Parties	MRO or Customer / MRO and Customer collectively
PMA part	Part of aircraft or aircraft component, manufactured under FAR 21 Subpart K “Part Manufacture Approval”
Quality Department	Department responsible for quality matters
Quality Manual	Maintenance Organization Exposition
Repair/To Repair	The restoration of/To restore an Item / aircraft Component to a serviceable condition by replacing or processing failed or damaged parts in conformity with an approved standard







Repair Order, or RO	Any work order served by Customer to MRO under Annex B of this Agreement
Scrap Material	Parts which are non-repairable according to OEM Manual
Services	All services and all work and actions such as but not limited to the services specified in this Agreement otherwise agreed upon in writing as are to be performed by MRO in accordance with the terms of this Agreement
SB	Service Bulletin
SL	Service Letter
Subcontracting/To Subcontract	The contracting of any Services to a Subcontractor
Loan Nose Landing Gear/Loan NLG	means the spare Nose Landing Gear according Annex A of this Agreement, loaned by MRO to Customer pursuant this Agreement as a temporary exchange for overhauled Nose Landing Gear



SRM	Standard Replacement Material
TBO	To be Overhauled
Technical Defect	Any finding during maintenance out of OEM Manual repair capabilities
Turnaround Time; or TAT	The period of time agreed upon between the Parties for the rendering of the Services from the date of Delivery until the date of Redelivery
Warranty Repair Claim	A claim under the warranty given under this Agreement made in accordance with Article 8

## **2. SUBJECT OF THE AGREEMENT**

According to the Customer's RO and CMM the MRO will perform  according  from Customer's Aircraft as specified below:

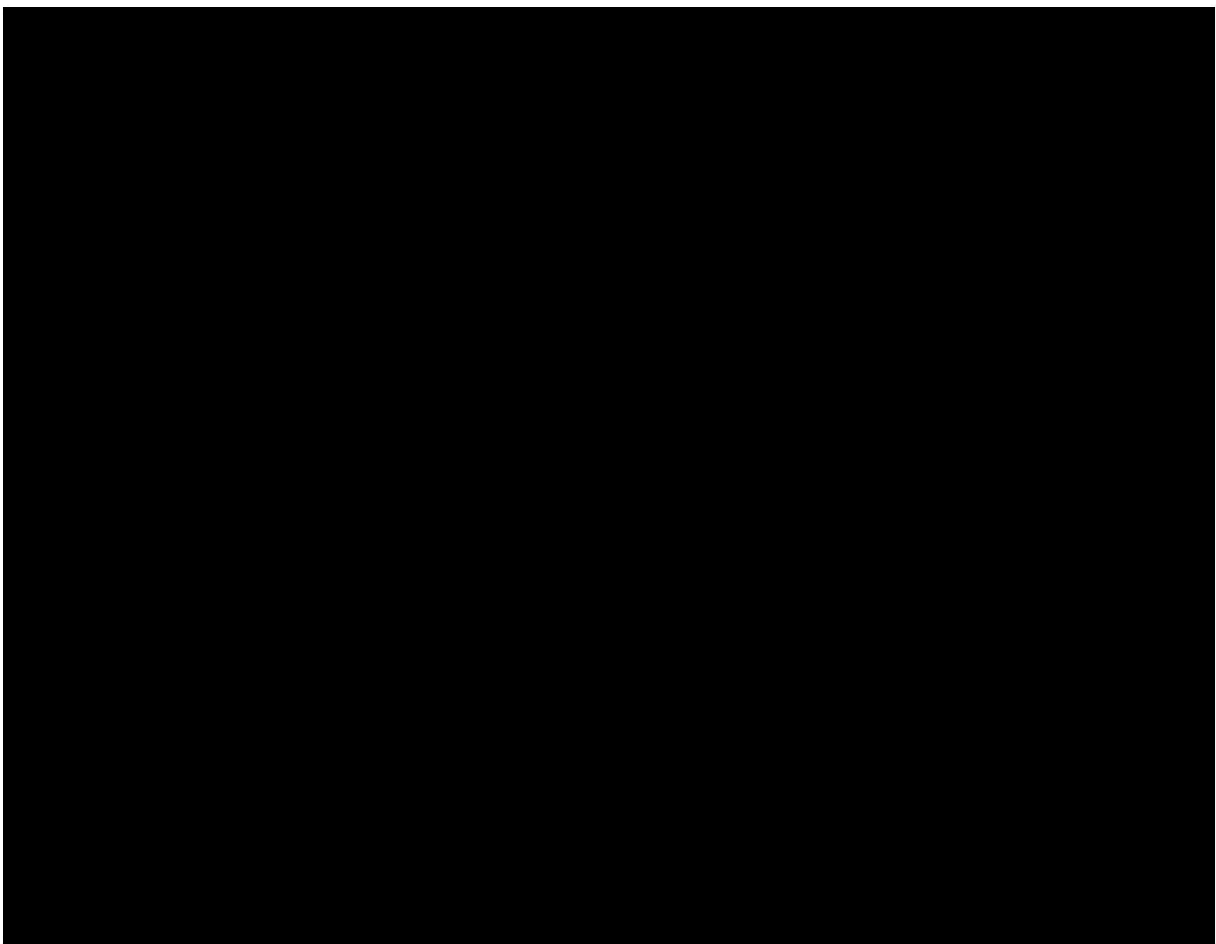




### **3. SCOPE OF SERVICES**

#### **3.1 WORK ORDER**

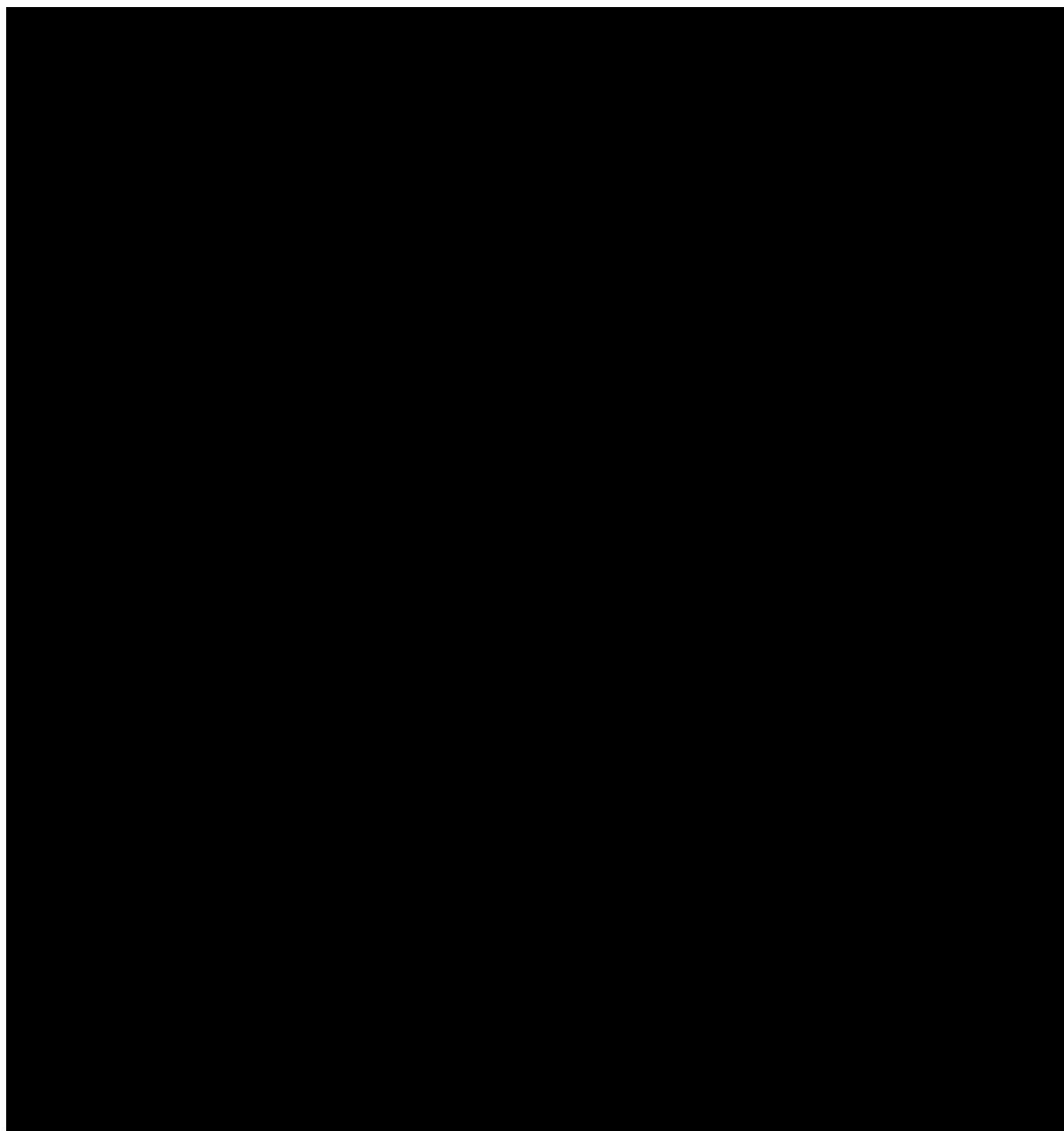
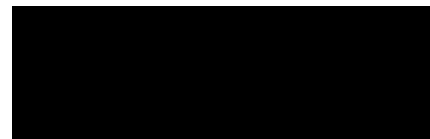
Faint, illegible text, likely bleed-through from the reverse side of the page. Some words like "R", "L", and "M" are visible.





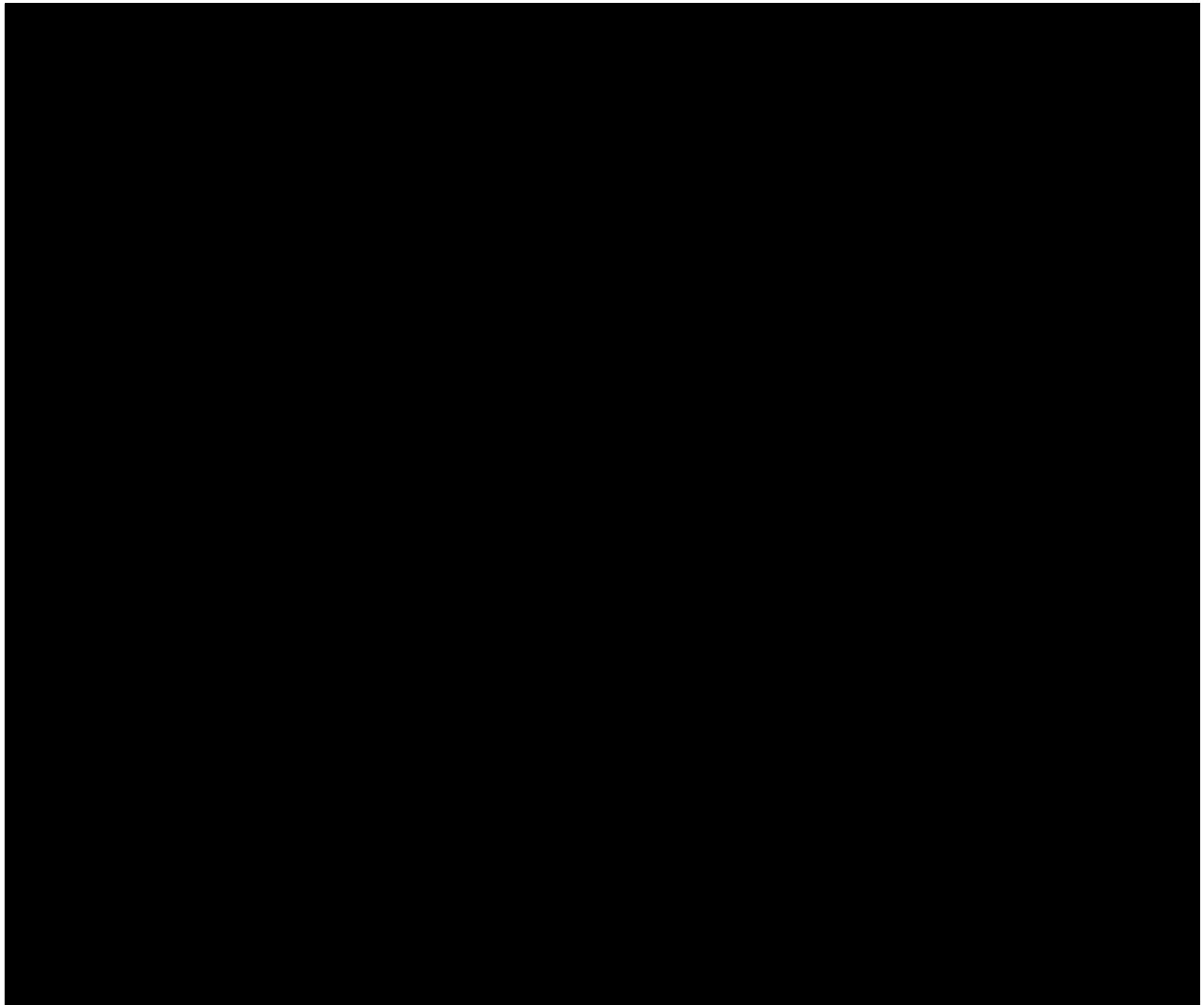




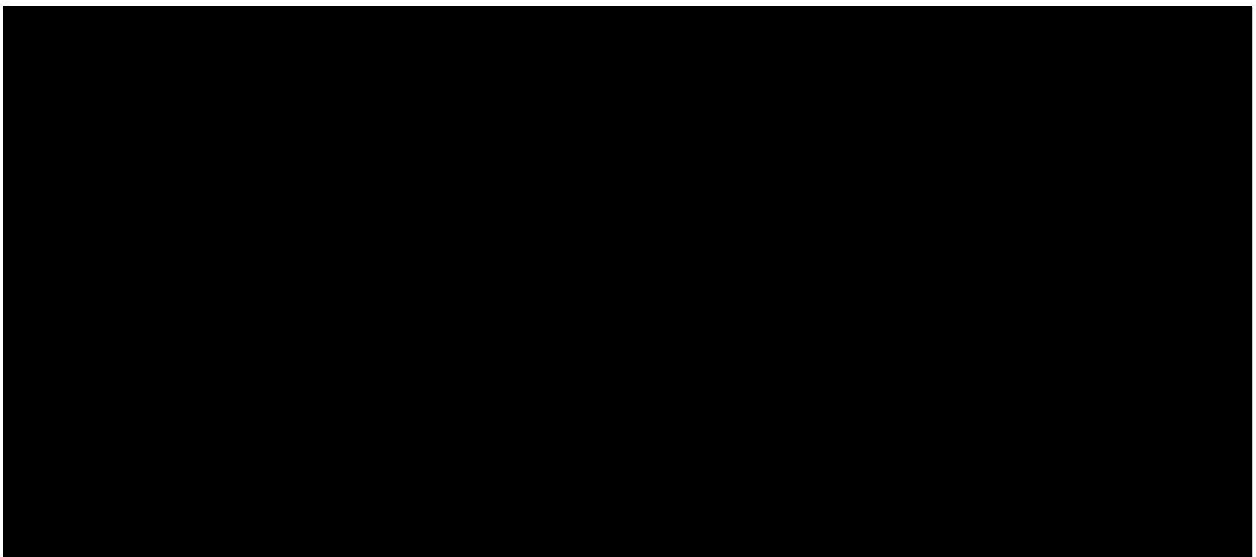


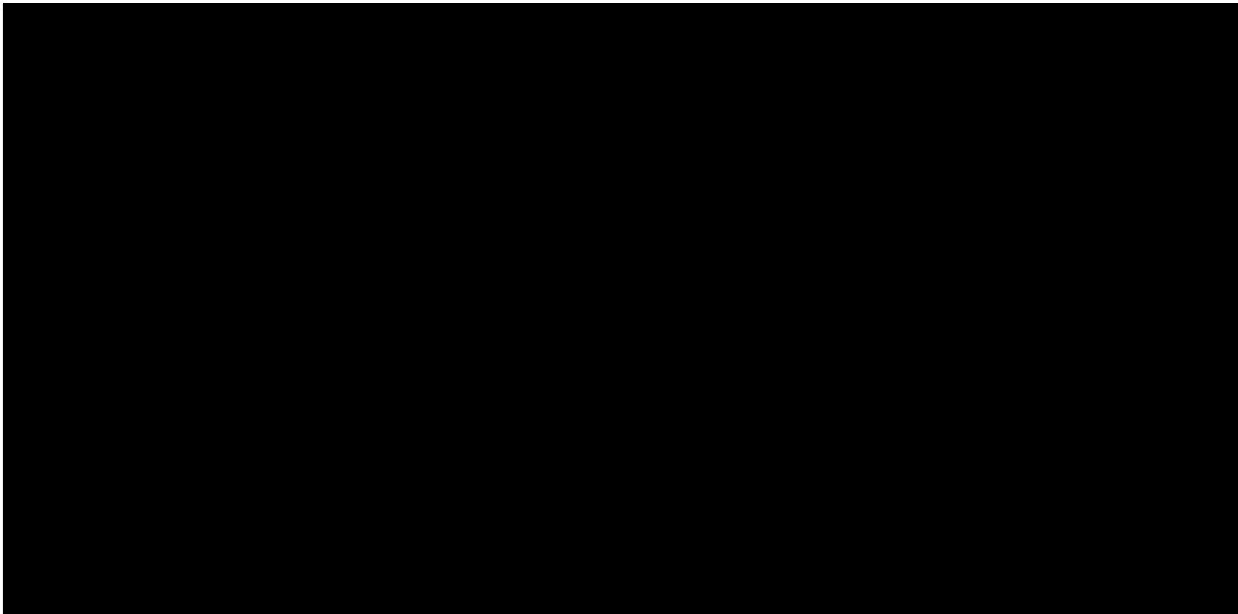
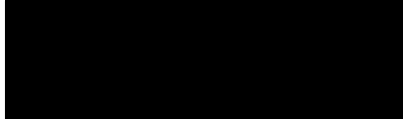


### **4.3 PENALTY**



### **5. PAYMENT TERMS**





## 6. MATERIAL SUPPORT


The MRO shall support the Customer with spare parts and consumable materials during maintenance event.

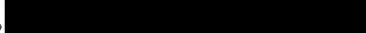
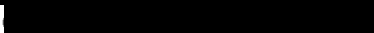
All new spare parts shall have certificates such as EASA Form 1 or FAA 8130-3.

All repaired/ overhauled spare parts shall have certificates EASA/FAA form (Dual release).

The MRO shall provide the Customer with a full Back to Birth traceability for Life Limited components and parts and get approval from Customer before installation

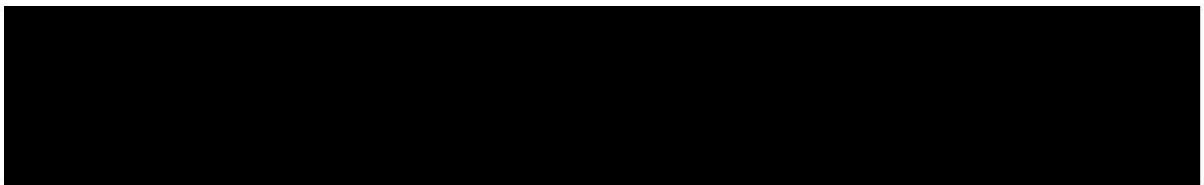
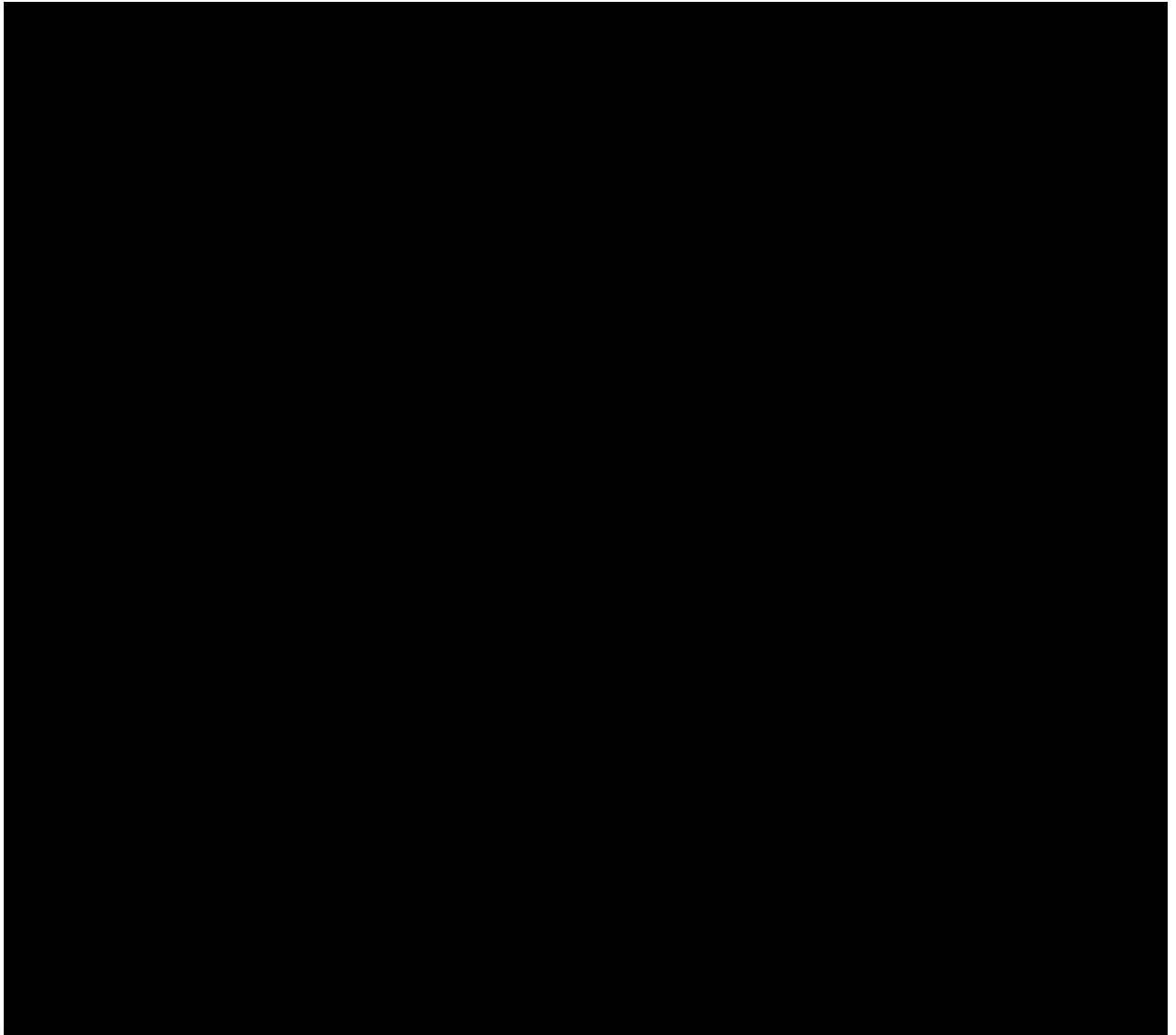
Boeing OEM and Boeing licensed parts shall be used within 

All material required for  shall be supplied by the MRO until otherwise explicitly requested and agreed.

The approval cap for the material is . MRO shall require the Customer's prior written approval for material  per single part.

For assembly, MRO has obtained Customer approval to use a PMA parts which approval if given, will generally be given only for the installation of PMA parts manufactured iaw FAR Part 21.303 (or it's EASA equivalent), that are consumable parts such a gaskets, brakets and seals; any proposed repair, that has been approved by FAA DER other than OEM DER (or it's EASA equivalent) must be approved by Customer, prior to accomplishment. Customer is obliged to deliver to MRO its written approval with use of PMA parts or its written rejection of use of PMA parts within forty eight (48) after delivery of MRO's query to Customer at the latest. Provided that such Customer's written approval or Customer's written rejection will not be delivered to MRO within the aforementioned period, it that shall be deemed Customer approved the use of PMA parts. Parties are entitled to deliver the documents under this provision to the other Party via email.





### **8.3 Audit**

The Customer and its legal authority may by prior written notice to the MRO and at the Customer's own cost, engage the MRO for purpose of auditing at the location of MRO facilities. Such notice shall contain a description of areas to be audited.

### **8.4 Customer's Representative**

The Customer may send to MRO's maintenance base, one (1) representative for an agreed period of time during the performance of the Services. The Customer's representative shall be qualified and authorized to agree the performance of any work. MRO shall provide the Customer's representative with

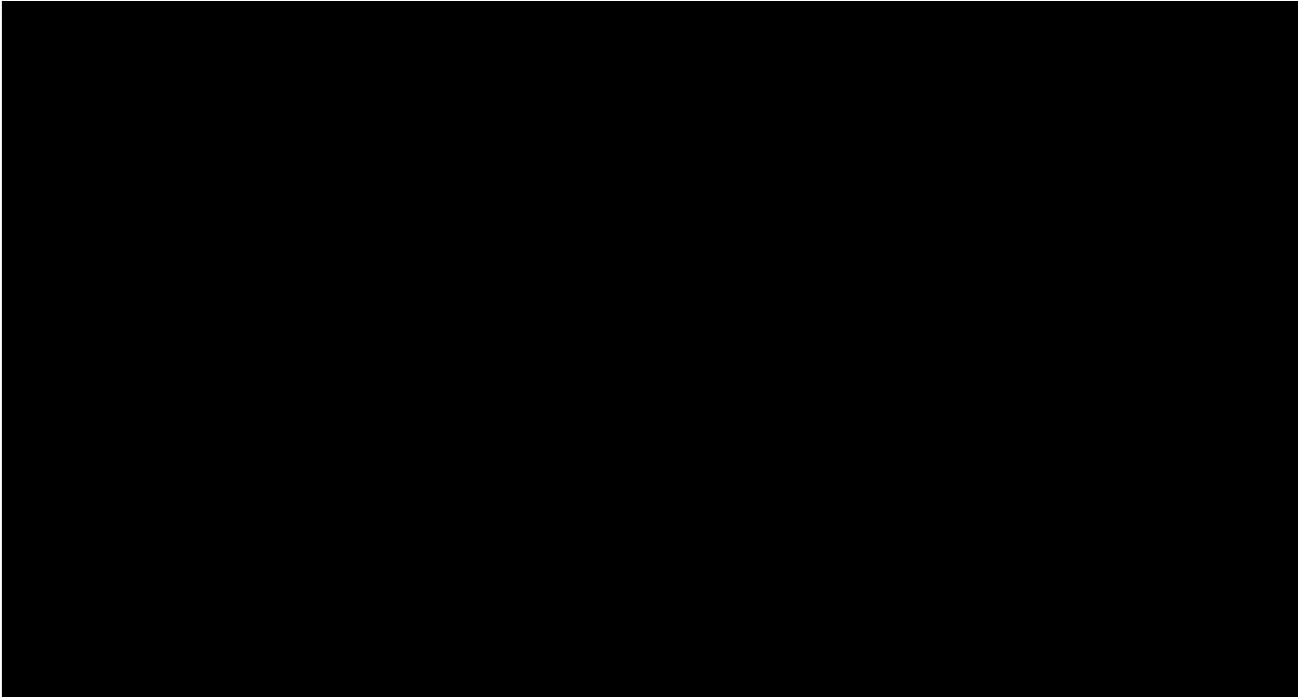
- (a) appropriate office space and
- (b) access to communication facilities, at no costs involved for the Customer.

The Customer shall pay all costs of such representative including travel and accommodation.


The Customer shall be responsible for all visas. At least four (4) weeks before arrival, the Customer shall give MRO details of the representative stating

- (a) name (family and first name)
- (b) date and place of birth
- (c) nationality and passport number
- (d) job title and
- (e) any other information that may be required by airport authorities, e.g. for access to facilities.

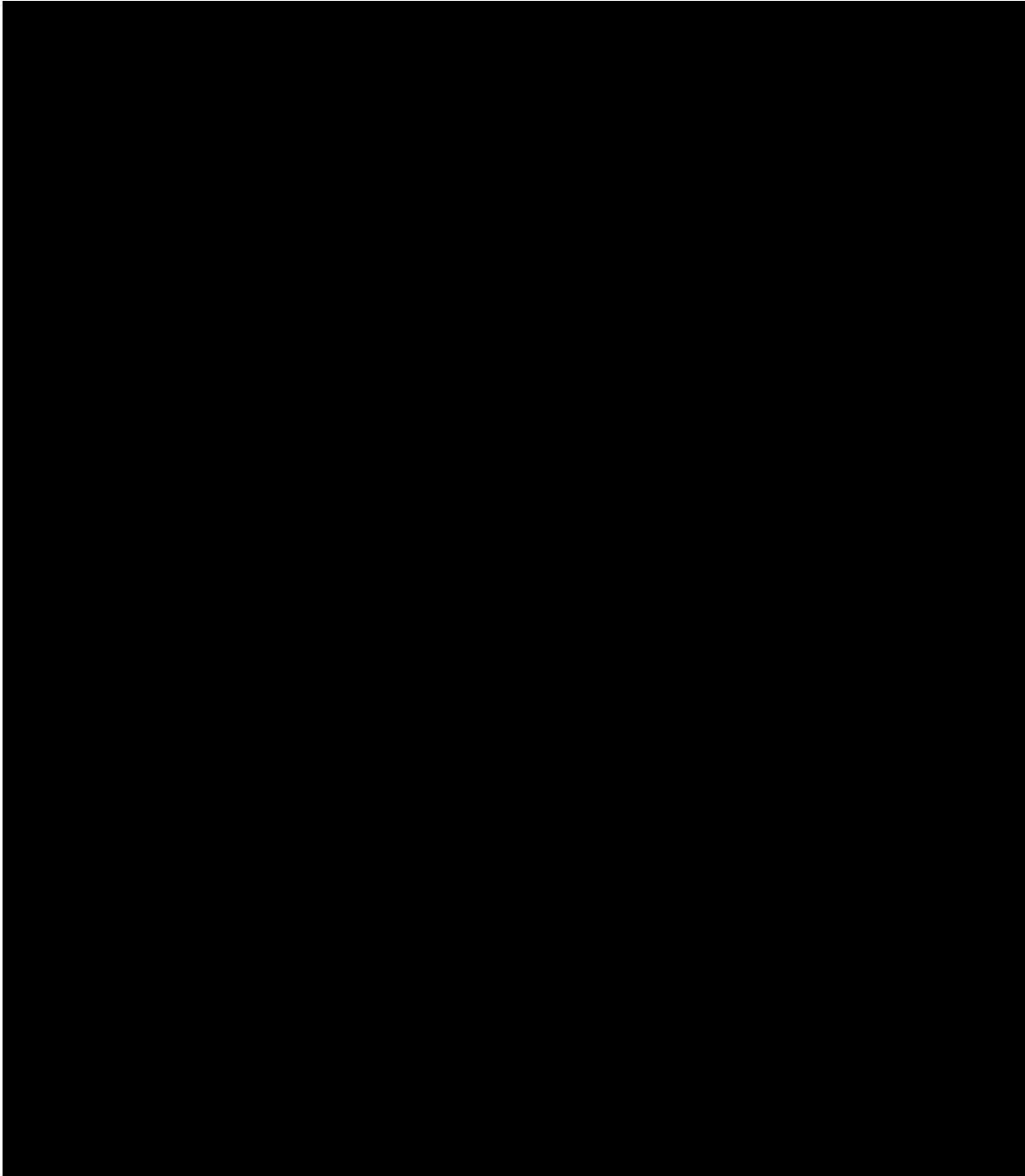
MRO shall reasonably support the Customer in obtaining permission to access to the facilities from the competent authorities; however MRO shall not be responsible if such permission is delayed or not granted.





It shall be the shipping Party's responsibility to ensure that  is shipped using the appropriate shipping containers according to ATA 300 specification.

## 10. DOCUMENTATION



If any services to be performed under this Agreement:

- a) are usually or customarily performed by a third party or
- b) have to be subcontracted to a third party because of their peculiarity or







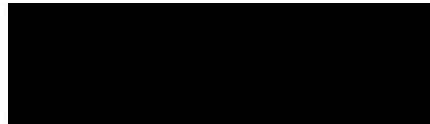
- c) cannot be performed by MRO for reason of its own operational convenience
- d) for any other reason, MRO may subcontract such services to a third party if they are an appropriately approved or accepted in written by the Customer, EASA and, if applicable FAA and/or National Authority Approval part 145 maintenance organization for the relevant services.

If MRO subcontracts any services, MRO is solely responsible to the Customer under and according to this Agreement.

## **12. LIABILITY**

- 12.1** The Customer, its officers, directors and employees (the “Customer”) agrees to indemnify, defend and hold harmless MRO its directors, officers, agents, employees and Subcontractors from and against all claims, losses, liabilities, damages, costs and expenses (including without limitation, reasonable attorney fees) which MRO its directors, officers, agents, employees and Subcontractors may suffer or incur by reason of bodily injury of or property damage to third parties arising out of or in relation to the Services or otherwise in connection with this Agreement, except only to the extent caused by the gross negligence or willful misconduct of MRO.
- 12.2** MRO agrees to indemnify, defend and hold harmless the Customer its directors, officers, agents, employees and Subcontractors from and against all claims, losses, liabilities, damages, costs and expenses (including without limitation, reasonable attorney fees) which the Customer may suffer or incur by reason of bodily injury of or property damage to third parties arising out of or in relation to the Services or otherwise in connection with this Agreement to the extent caused by the gross negligence or willful misconduct of the MRO.
- 12.3** Notwithstanding the above each Party shall take responsibility for any death of or injury to its own employees unless caused by the other Party’s Negligence or willful misconduct.
- 12.4** If either Party becomes aware of a matter that might give rise to a claim per the above, the Party discovering such shall notify the other Party as quickly as possible, consult with the other Party and offer reasonable assistance.
- 12.5** MRO shall be responsible and liable for any loss of or damage to property of the Customer or injury to or death of any person to the extent caused by the gross negligence or willful misconduct of the MRO its directors, officers, agents, employees and Subcontractors.
- 12.6** Neither Party shall be liable for any indirect or consequential damages or losses, including, but not limited to, loss of profit. Neither Party shall be liable for any reason for special, indirect, incidental or consequential damages, such as but not limited to loss of revenues, loss of profits, loss of prospective economic advantage or loss of use resulting from this Agreement. Neither Party shall be liable for punitive damages whatsoever.





12.7 The liability which cannot be limited or excluded under the applicable law shall not be limited or excluded.

*[Faint, illegible text]*



*[Faint, illegible text]*



### **13. FORCE-MAJEURE**

No Party shall have any responsibility for failure to perform any of its obligations completely or partially if such failure is as a consequence of circumstances beyond one's reasonable control (Force majeure) such as fire, natural calamities, war, military actions, blockage, industrial action, civil commotion, transport accidents, export and import prohibition, that arise after the execution of this Agreement.

If any of such Force Majeure event directly affects the delivery/ TAT period stipulated in the Agreement, then this delivery/ TAT period shall be correspondingly extended for the period of the duration of such Force Majeure event.

The Party which cannot fulfill its obligations because of such Force Majeure event shall notify the other Party in writing as soon as possible after the beginning of the event but no later than 10 (ten) days from commencement of such Force Majeure event. Such notification should advise the expected duration of the Force Majeure event.

If such Force Majeure events continue for more than 1 (one) month, the Customer and the MRO shall discuss the future of this Agreement. Should the Parties not come to an agreement, the Party not affected by the said Force Majeure event shall have the right to cancel this Agreement in full or with regard to the deliveries/ services affected by such Force Majeure event. This Party shall immediately inform the other Party of its decision.

### **14. CONFIDENTIAL INFORMATION**

14.1 The Parties shall not disclose confidential information or use the same other than for the purposes of performance of the obligations under this Agreement. Party that received confidential information will take any and all actions for its protection, with such actions being not less than those normally taken for protection of its own confidential information.

The information shall be deemed confidential if it is obtained for the purposes of performance of this Agreement and contains, without limitation, the following: commercial secrets, personal data, information protected by law, or information marked by the disclosing Party as "Confidential" or "Strictly Confidential" on the date of disclosure with full name and location data of the owner attached.





The Parties' obligations defined in this section shall be valid during the term of this Agreement and 3 (three) years thereafter.

- 14.2** Not later the date of this Agreement execution the MRO shall provide the Customer with the information about a chain of its all beneficiaries, including ultimate beneficiaries, and about members of its executive board in due form of Annex hereto, providing relevant supporting documents. In case of any changes in the chain of beneficiaries, including ultimate beneficiaries, or in the executive board, the MRO shall promptly notify the Customer of such changes, providing relevant supporting documents. In case of breach or refusal to perform this obligation the Customer may, unilaterally and without judicial procedures, repudiate the Agreement by giving written notice three (3) days prior to the date of termination.
- 14.3** The Parties have agreed that, pursuant to Czech public law (Act. No. 340/2015 Coll., Contract registration act) this Contract shall be published in Czech contract register and that all prices, serial numbers and part numbers and identification data of the Parties constitute commercial secret and shall not be published.

## **15. GOVERNING LAW AND JURISDICTION**

- 15.1** This Agreement and any legal matters that may arise out of or in connection with this Agreement shall be subject to and construed exclusively in accordance with the laws of the Czech Republic excluding Czech law's conflict of law rules and excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- 15.2** Any dispute, claim or controversy relating to, arising out of, or in connection with this Agreement, including any question regarding its formation, existence, validity, enforceability, performance, interpretation, breach, or termination, shall be finally resolved unless is previously resolved amicably, under the Rules of Arbitration of the International Chamber of Commerce by three arbitrators, out of who one shall be appointed by each of the Parties and the chairman in accordance with the said Rules. The Parties hereby agree that this Agreement shall be governed by and construed in accordance with the laws of Czech Republic without regard to the conflicts-of-law provisions. Any and all disputes arising from this Agreement or in connection with this Agreement shall be submitted to a general court of competent jurisdiction vis-à-vis MRO within the meaning of Section 89a of Act No. 99/1963 Coll., the Rules of Civil Procedure, as amended.
- 15.3** Prior to the commencement of the Services under this Agreement, each Party shall provide to the other certificate of insurance (and possibly certificate of reinsurance if required by other Party) issued by internationally recognized re/insurers or re/insurance brokers or such other evidence reasonably satisfactory to the other that the re/insurance set out herein is and shall continue in full force



and effect during the term of this Agreement and for the subsequent period of time as stated under Article 16 above.

## **16. TAXES AND DUTIES**

### **16.1 Customer's Tax Obligations**

shall be responsible for any Taxes and/or levies imposed by government authority of [REDACTED] arising out of or in connection with this Agreement, including Taxes and/or levies on the spares or otherwise arising in connection with transactions provided for in this Agreement.

All payments referred to in this Agreement are exclusive of any applicable [REDACTED] or similar tax.

If according to the [REDACTED] legislation the services specified in this Agreement are [REDACTED] and the Customer is required to withhold the [REDACTED] or other similar tax from amounts payable to the MRO, the value of services determined in the point of the Agreement will be grossed up for the respective amount of [REDACTED]. The grossed-up value of services shall be regarded as a VAT inclusive price. [REDACTED] shall be presented in the invoice of the MRO. [REDACTED] amount shall be withheld from the VAT inclusive price and settled / remitted to the [REDACTED] by the Customer.

The Customer shall also pay any import customs duties imposed by governmental authorities of [REDACTED] having jurisdiction.

All payments made by the Customer to the MRO under this Agreement will be made in full and the Customer will not withhold from such payments any taxes, charges or duties levied in its territory, except where the Customer is obliged to make such withholding in accordance with the laws or regulations of its territory. In the case the Customer is required to withhold any taxes from the payment under the Agreement, prices stated in this Agreement shall be increased by the amount of applicable taxes and duties which may be applicable both now and in the future in the Customer territory so that the MRO receives a net sum equal to the sum which it would have received had no such withholding been required.

The Customer undertakes to sign without delay any act of reception, document stating applicable VAT and further certificates that may be required, pursuant to the laws and regulations of its territory, so as to import the Engine, and fulfill its payment obligations toward the MRO. The Customer undertakes to obtain all necessary authorizations required by any authority within its territory for the performance of this Agreement, by application of the local regulations.

The Customer's obligation to pay such Taxes and duties shall survive the termination of this Agreement and shall remain in effect for the applicable statute of limitations.



## **16.2 The MRO's Tax Obligations.**

The MRO shall pay any and all Taxes and/or levies imposed by governmental authorities having jurisdiction over the MRO in connection with services under this Agreement and any Taxes imposed upon the MRO as a result of the MRO maintaining an office or other place of business in the taxing jurisdiction or conducting activities in the taxing jurisdiction, all of which Taxes shall be the sole liability of the MRO.

The MRO's obligation to pay such Taxes shall survive the termination of this Agreement and shall remain in effect for the applicable statute of limitations applicable to this Agreement.

## **17. TERM AND TERMINATION**

### **17.1 Duration**

This Agreement shall become effective from the date both Parties have signed it ("Effective Date") and shall remain in full force and effect until fulfillment of the Parties obligations.

### **17.2 Termination**

If any of the following events occur, either Party may terminate this Agreement with immediate effect by giving the other Party written notice:

- The other Party is in default in performing any of the terms and conditions of this Agreement and such default is not remedied within thirty (30) days after written notice of such default is given to the defaulting Party; or
- The other Party becomes insolvent, bankrupt, makes a general arrangement or assignment for the benefit of its creditors or commits an act of insolvency or bankruptcy or if a petition for its' reorganization or the readjustment of its indebtedness is filed by or against it and such petition is not withdrawn, lifted or dismissed within thirty (30) days, or if a receiver, trustee or liquidator of all or most of its property is appointed.

Even if any such termination happens, each Party shall fulfill all obligations which accrued under this Agreement prior to the time that termination becomes effective and no such termination will prevent either Party from claiming against the order for breach of any obligations under this Agreement.





## 18. SIGNATURES

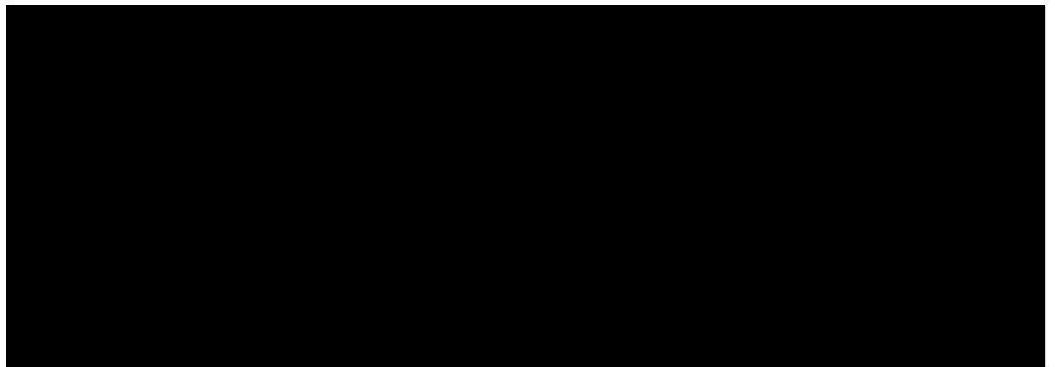
If any of the provisions of this Agreement is or will become or will be considered to be invalid or unenforceable, this shall not affect the validity or enforceability of the remaining provisions of this Agreement, unless the mandatory provisions of the applicable laws set forth otherwise. The Parties covenant to replace as soon as practicable possible the invalid or unenforceable provision by a valid and enforceable provision which reflects the initial intent of the Parties.

IN WITNESS THEREOF Customer and MRO have caused this Agreement to be executed as of the day and year written below.



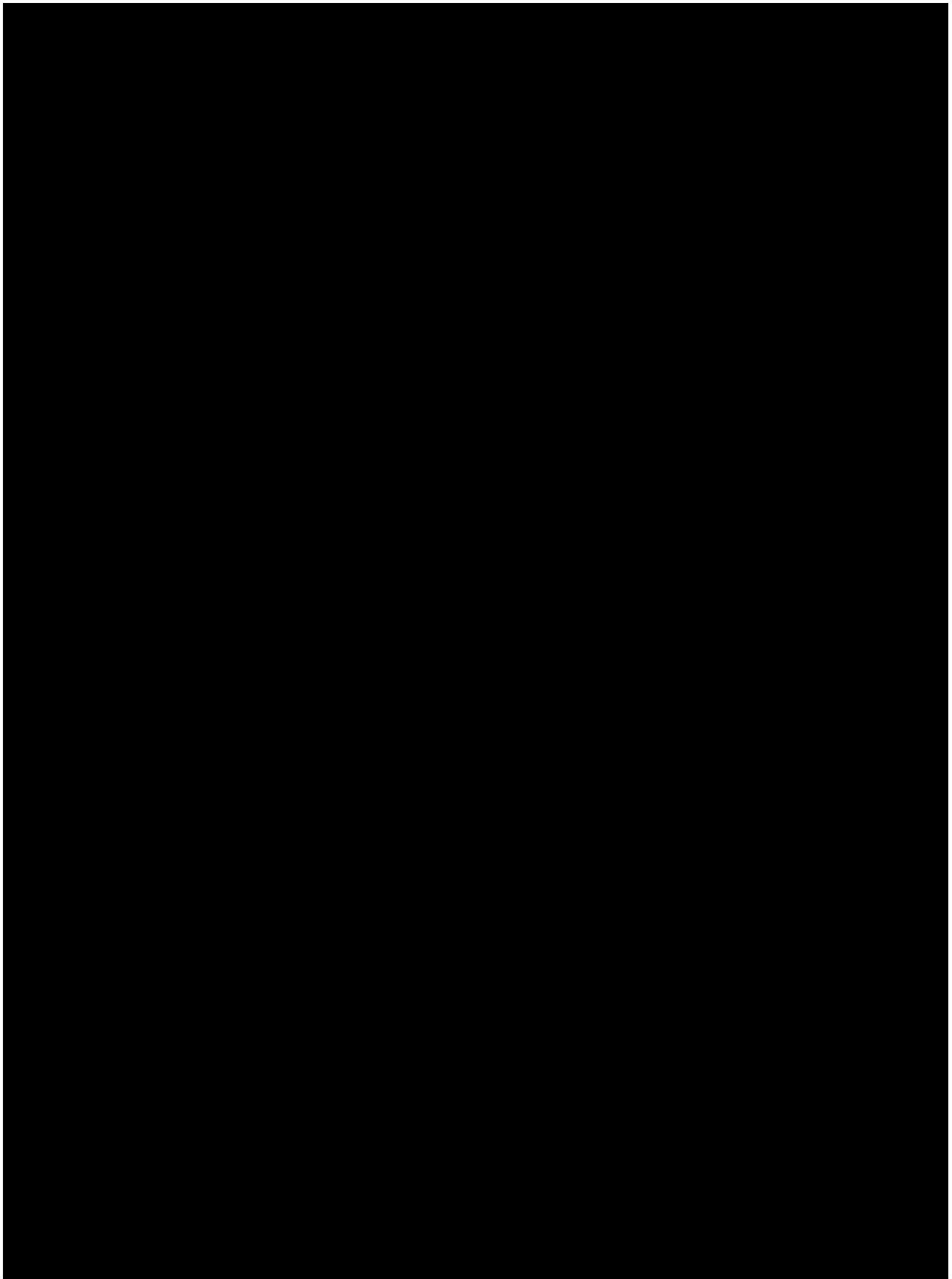
**MRO/Czech Airlines Technics, j. s.**

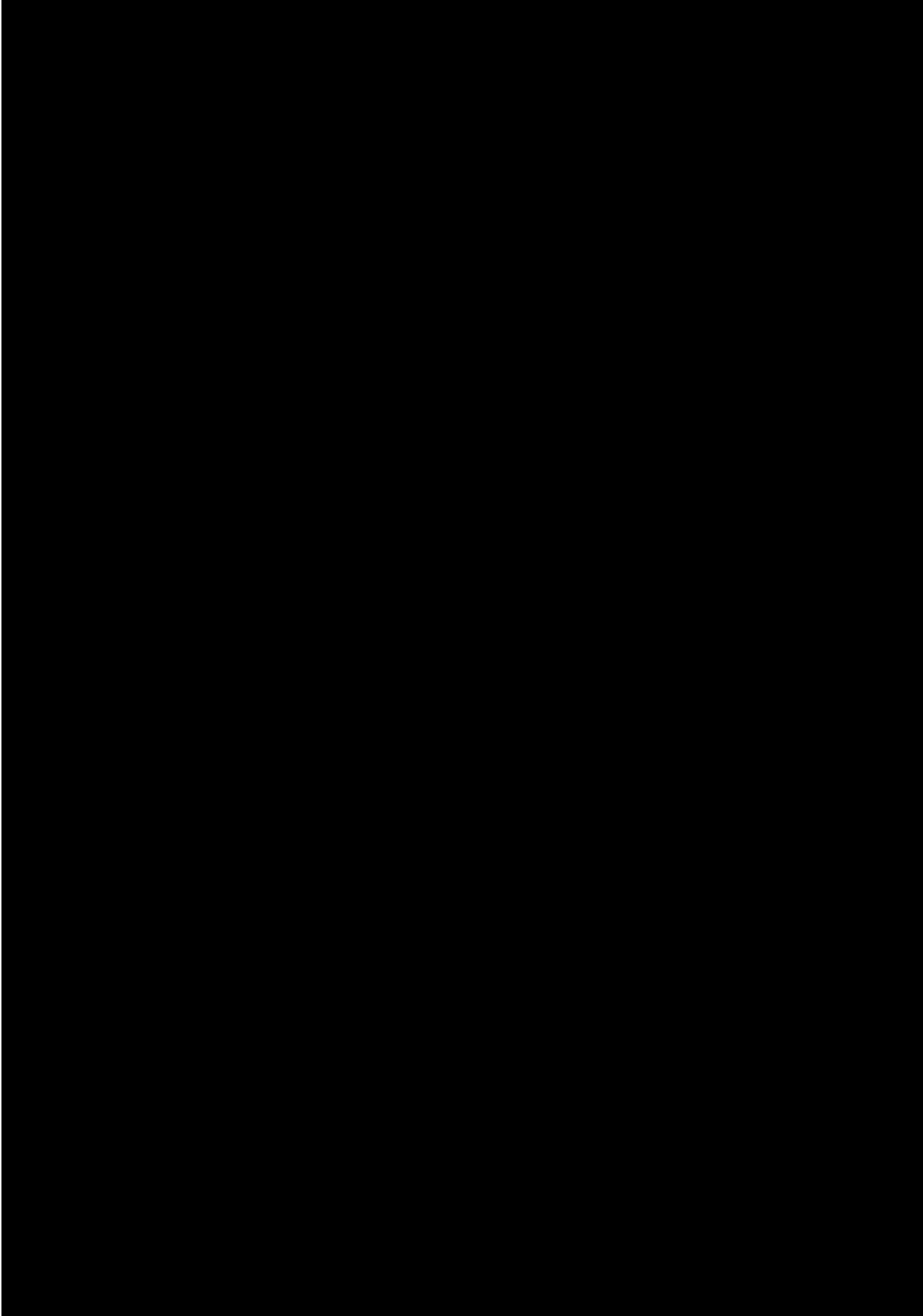
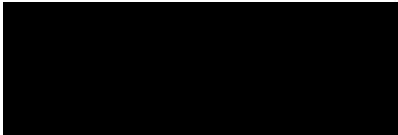
Name:



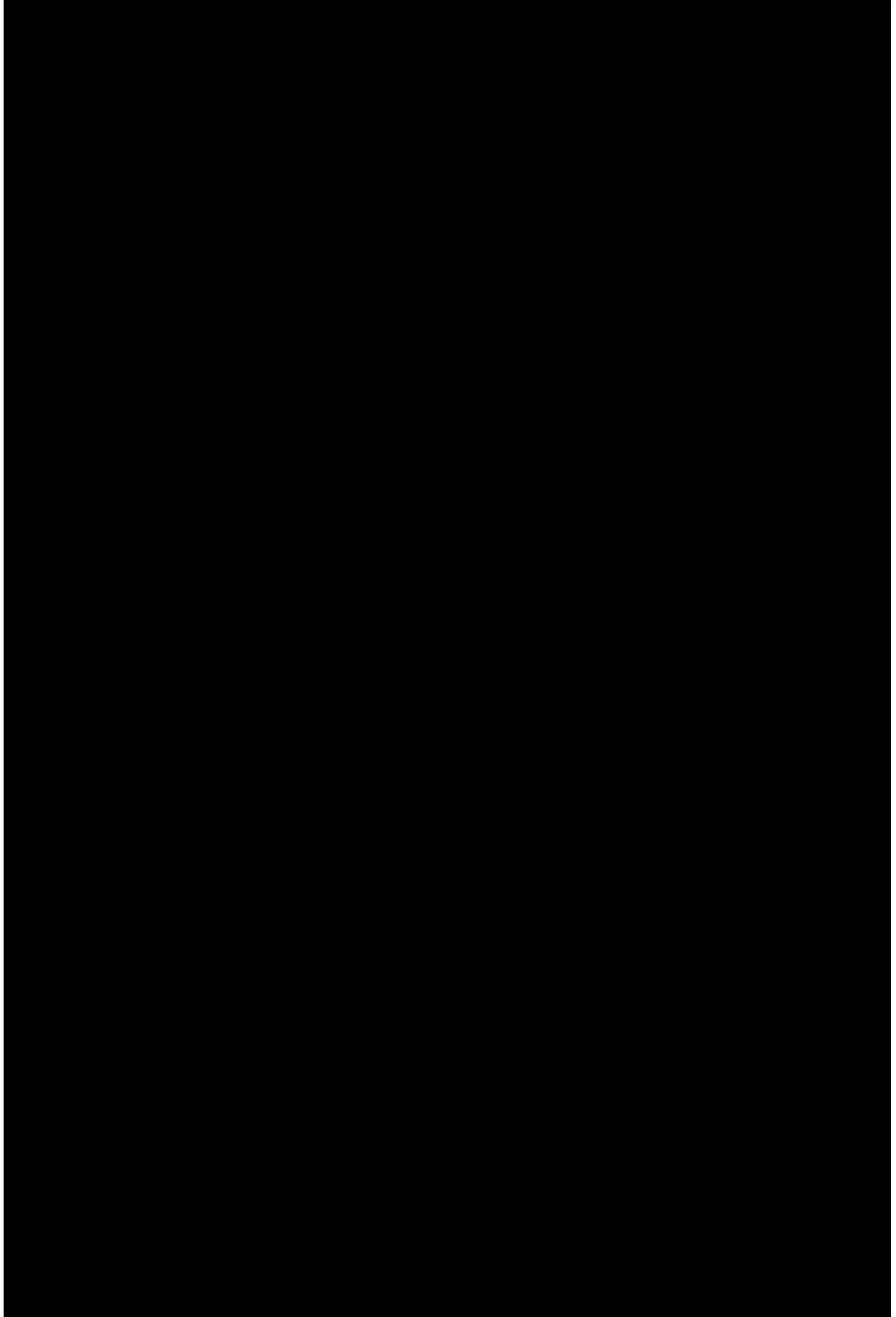
Town, Date: PRAGUE, JUNE 30, 2017 PRAGUE, JUNE 30, 2017

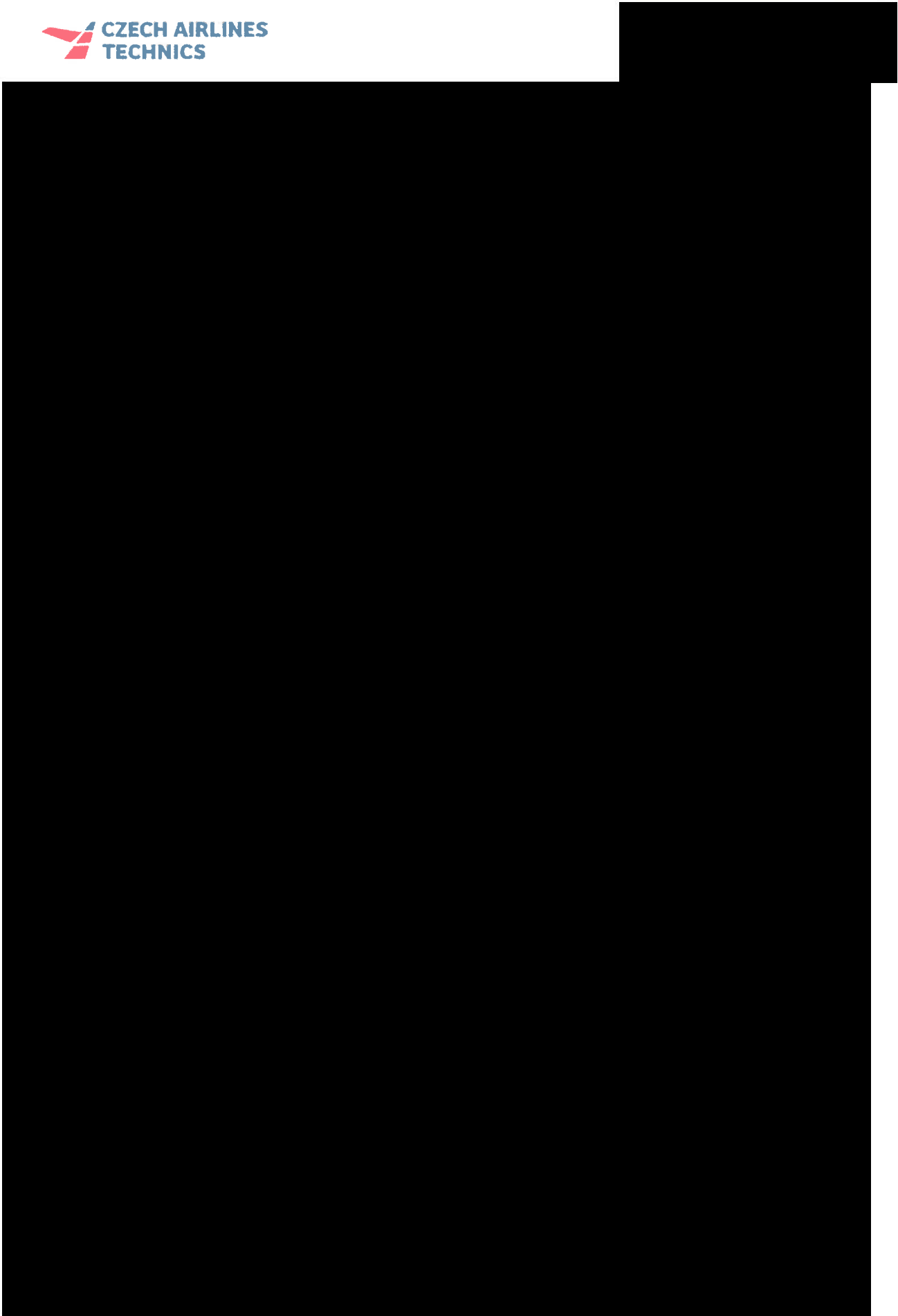


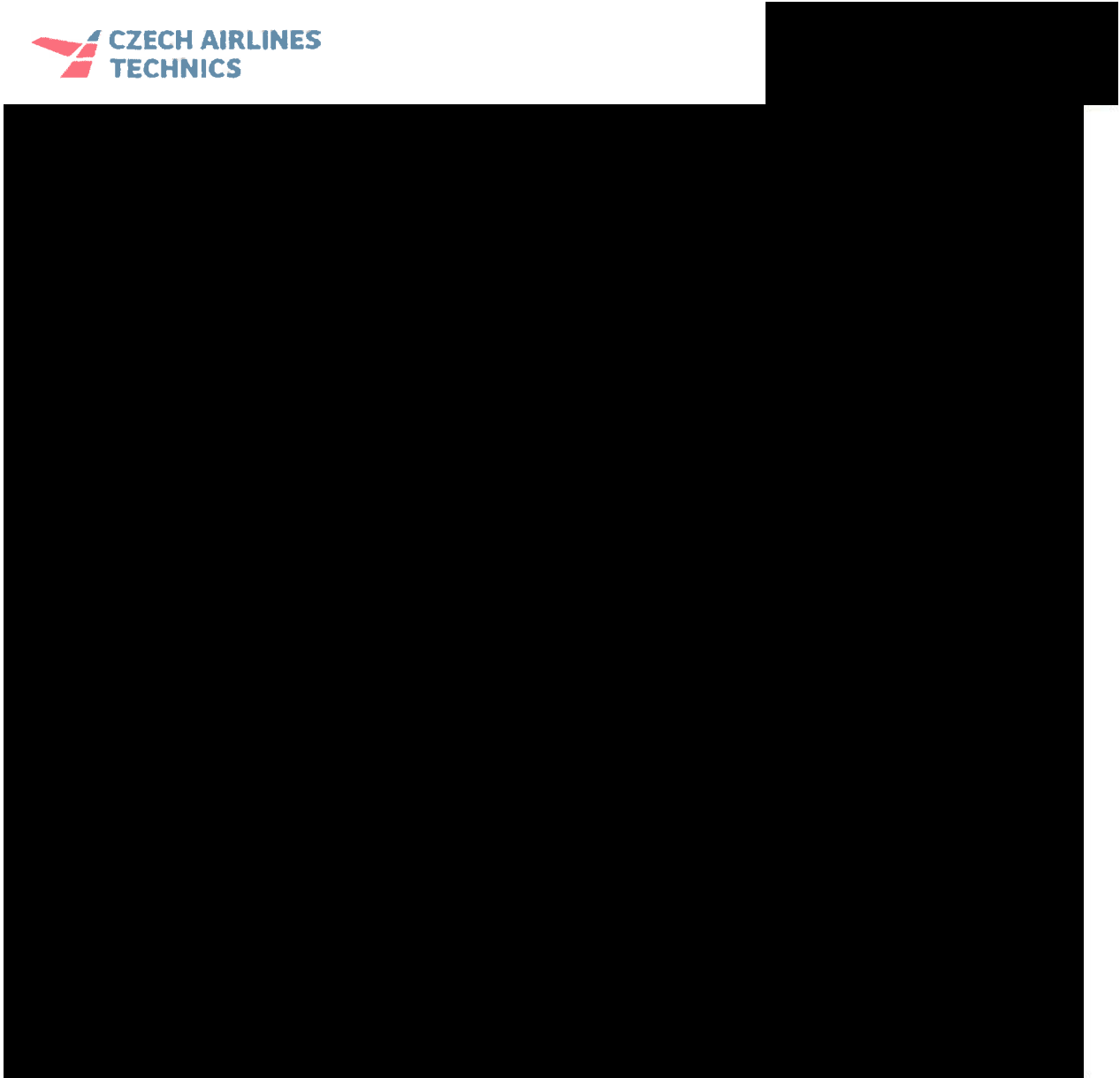






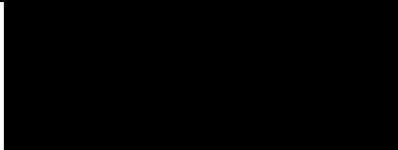






3006.0

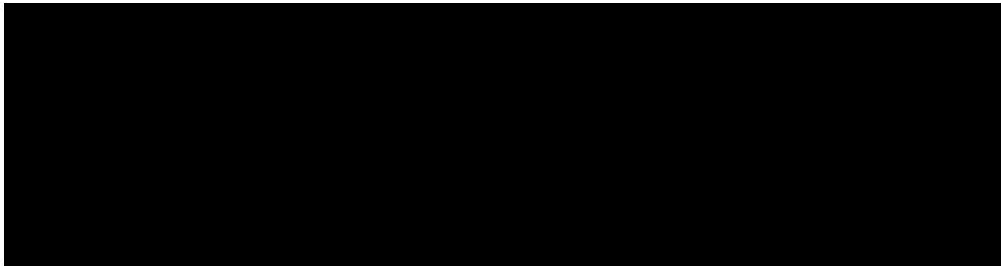
For and on behalf of



MRO/Czech Airlines Technics, j. s. c.

Name:

Title:



Town, Date:

PRAGUE, JUNE 30, 2017 PRAGUE, JUNE 30, 2017

