

  
 Agreement

**Between**

**Czech Airlines Technics, a. s.**

**And**

  
**Agreement number:**

**CSAT/2017/556**

[REDACTED]  
the “**Agreement**”) is made [REDACTED] between:

[REDACTED]

and

**Czech Airlines Technics, a.s.**, a joint stock company incorporated under the laws of the

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

(hereinafter referred to as “**CSAT**”).

[REDACTED]  
[REDACTED]

**PREAMBLE**

WHEREAS CSAT is a company in the business of aircraft maintenance services and is duly authorized and certified in accordance with the EASA Part-145;

and

[REDACTED]  
[REDACTED]  
[REDACTED];

and

WHEREAS CSAT wishes to perform such Services [REDACTED]  
[REDACTED]

and

WHEREAS purpose of this Agreement and provision of the Services is CSAT's participation (together with other service providers and within the scope of provided Services) on ensuring the proper operation of the Managed Aircraft.

and

[REDACTED]

and

[REDACTED]

[REDACTED]

## 1. DEFINITIONS

In this Agreement:

“AD” means airworthiness directive;

[REDACTED]

[REDACTED]

[REDACTED]

“Anniversary” means each anniversary date of the Effective Date during the Term of this Agreement (the date which comes up every twelve months from the Effective Date);

[REDACTED]

“Business Day” means a day on which banks are open for business in the Czech

Republic;

[REDACTED]

“**Civil Code**” means Act no. 89/2012 Coll., Civil Code, as amended;

[REDACTED]

“**EASA**” means the European Aviation Safety Agency;

“**Effective Date**” means the date stipulated in art. 3.1 hereof;

[REDACTED]

“**Force Majeure Event**” means any event, which is beyond the control of obliged Party and unpredictable for obliged Party and prevents such Party from the performance of its obligations under the Agreement, which such Party could not avoid by the exercise of its due care. Force Majeure shall include any event, which is caused by act of God, fire, flood, explosion, earthquake, riot, insurrection, war, any act of government or any regulation affecting directly or indirectly the Aircraft.

[REDACTED]

“**Gross Negligence**” means the reckless act/omission of any Party coupled with knowledge that damage would probably result;

[REDACTED]

“**Maintenance**” means one or a combination of the following actions: overhaul, repair,

inspection, replacement, modification or rectification of discrepancies on the aircraft or a Component;

[REDACTED]

“**Manufacturer**” means the holder of type certificate of the respective aircraft;

“**Material**” means any Components, Standard Parts, assemblies, subassemblies, Consumables, data, accessories, raw stock, packing, tools and ground support equipment;

“ [REDACTED] ”  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

“**P/N**” means part number;

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

“**S/N**” means serial number of aircraft or Component;

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

“**Third Party**” means any party, which is not a Party to this Agreement;

“**Willful Misconduct**” means deliberate act/omission of a Party who intends to cause harm to the other Party through such act/omission, and the other Party is harmed as a direct result of such act/omission.

[REDACTED]  
[REDACTED]

INTERPRETATION AND CONSTRUCTION

Other terms, as they may be defined in the text of the Agreement below, shall be in bold and introduced by words "hereinafter referred to" and if further reference is made to them in the text of the Agreement, they shall be capitalized.

The singular form herein shall also refer to the plural and vice versa; the masculine form shall also refer to the feminine and neuter forms and vice versa; and the expressions referring to persons shall refer both to natural and legal persons and vice versa.

**2. SCOPE OF SERVICES**

2.1 CSAT shall perform the Services in accordance with the terms and conditions of this Agreement, with professional care and in compliance with all applicable legal regulations and technical standards to the extent as specified in Article 4, hereof.

[Redacted]

2.2 [Redacted]

2.3 [Redacted]

2.4 The Parties have agreed, [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

2.5 CSAT takes into consideration [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

2.6 In case, that provision of any Service covered by this Agreement will be awarded to any third person [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**3. TERM AND TERMINATION**

3.1 This Agreement shall become valid and in force from the day of its execution (hereinafter referred to as the “**Effective Date**”). The Services shall be provided from [REDACTED]

3.2 This Agreement shall remain [REDACTED]

3.3 CSAT will be entitled to terminate this Agreement by serving written notice of termination [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

[Redacted]

3.4 Both parties are entitled to terminate [Redacted]

3.5 [Redacted]

- CSAT fails to provide Services in compliance with this Agreement and / or with [Redacted]

[Redacted]

3.6. [Redacted]

3.7. If this Agreement is terminated according to [Redacted]

3.8 [Redacted]

3.9 This Agreement may be further terminated by means of a written agreement of the Parties.

3.10 If this Agreement is not terminated or ceases to exist by withdrawal as of the last



day of the calendar month, [REDACTED]  
[REDACTED]

3.11 In case of termination of this Agreement CSAT is obliged to hand over all data,  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

4. [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

4.2 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

4.3 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

4.4 [REDACTED]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

4.6 [Redacted]

[Redacted]

[Redacted]

4.7 [Redacted]

[Redacted]

4.8 [Redacted]

[Redacted]

4.9

[Redacted]

[Redacted]

[Redacted]

4.10

[Redacted]

[Redacted]

4.11

[Redacted]

[Redacted]

4.12

[Redacted]

[Redacted]

4.13

[Redacted]

[Redacted]

4.14

[Redacted]

[Redacted]

4.15

[Redacted]

[Redacted]



a) [Redacted]

[Redacted]

**6. COMMERCIAL TERMS, QUALITY**

6.1 CSAT is the holder [Redacted]

6.2 Quality System / Audits - All CSAT activities are covered by CSAT Quality system.

6.3 [Redacted]

6.4 Services shall be provided continuously. The following Services shall be provided within the following specific time limits:

[Redacted]

6.5 The defects of the Services shall be notified to CSAT in written or via fax or e-mail.

[Redacted]

**7. RESPONSIBILITY**

7.1 [Redacted]

[Redacted]

[REDACTED]

e) Delivery of data necessary to perform Services according to Art.4.

7.3 [REDACTED]

7.4 CSAT is obliged to take over all documents and information necessary for the provision of Services [REDACTED]

7.5 CSAT is obliged to request for any information, documents and cooperation necessary for proper providing Services according to this Agreement in advance so that the Services could be provided on time.

## 8. PRICES, SETTLEMENT

8.1 [REDACTED]

8.2 [REDACTED] CSAT shall always issue an invoices on a [REDACTED]

8.3 [REDACTED]

8.4 CSAT is entitled to issue any invoice [REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]

8.5 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

8.6 In case of delay in the payment of any sums due under this Agreement, [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

Parties hereby explicitly agree that CSAT shall be entitled to request interest on interest.

8.7. Unless stipulated otherwise in this Agreement any costs incurred by CSAT in connection with this Agreement and provision of the Services are covered by fee according to Article 4 hereof and CSAT has no right for reimbursement of any costs.

**9.** [REDACTED]  
[REDACTED]  
[REDACTED]



[REDACTED]

9.2 Any Taxes (other than those assessed upon or chargeable by reference to CSAT income or profits), arising from or in any way related to this Agreement (including, without limitation, value added tax) shall be chargeable to the Party which is obliged to pay the particular tax according to the applicable legal regulations, if applicable. [REDACTED]

[REDACTED]

a. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Time shall be of the essence regarding payment obligations.

**10. GOVERNING LAW AND DISPUTE RESOLUTION**

10.1 This Agreement shall be governed by and interpreted in accordance with Czech law, in particular the Civil Code.

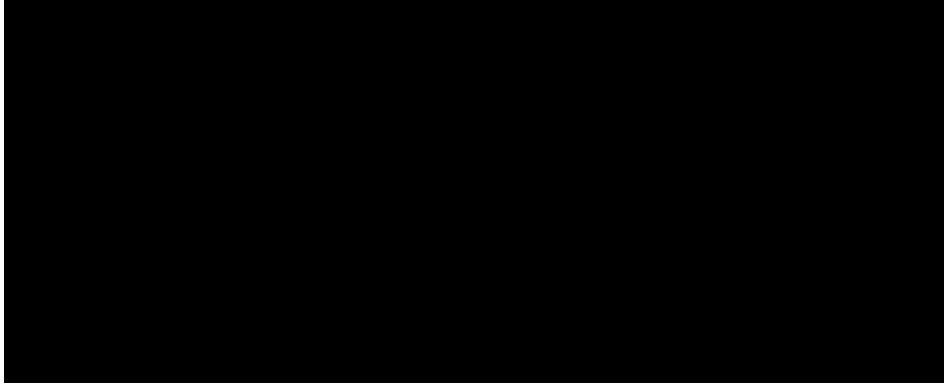
10.2 Any disputes arising from this Agreement or in connection with this Agreement shall be referred to the exclusive jurisdiction of Czech courts.

**11. COMMUNICATON**

11.1 Written and spoken communication between the Parties will be in Czech or English. Any contractual notice or communication to be given hereunder shall be addressed the respective Parties as follows:

[REDACTED]

To CSAT:



11.2 a) St [redacted]

[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

11.3 All notices, requests, demands or other communications required under this Agreement shall be in writing, sent by certified or registered mail, courier, or delivered in person.

11.4 Unless otherwise stated in this Agreement, any notice, request, demand or other communication under this Agreement shall be deemed to be given to the other Party:

- a) where delivered in person or by courier, at the time of its receipt by the addressee;
- b) where delivered by certified or registered mail, on the fifth (5.) Business Day after posting.

11.5 The foregoing requirements do not limit or prohibit day-to-day communications between the Parties via e-mail or other means.

## 12. [redacted]

### LIABILITY

12.1. The Parties are liable only for damage caused by Gross Negligence or Willful Misconduct towards the other Party. Neither Party shall be liable for the lost profit of the other Party. [redacted]

12.2 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.

12.3 If any Party becomes aware of matter that might give rise to a claim against the other Party, the Party discovering such shall notify the other Party as quickly as possible, consult with the other Party and offer reasonable assistance.

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

12.5 [Redacted]

12.6 [Redacted]

12.7. The Parties agreed on the following contractual penalties:

- [Redacted]

[Redacted]

- [Redacted]

[Redacted]

[Redacted]

- [Redacted]

[REDACTED]

INSURANCE

12.8 During the Term of this Agreement (and, in respect of products liability insurance only, for a minimum period [REDACTED])

[REDACTED]

12.9 [REDACTED]

12.10 Each Party shall maintain at its own expense Worker's Compensation as required by law and Employer's Liability Insurance with liability limits and insurers reasonably acceptable.

**13. FORCE MAJEURE**

13.1 No Party hereto shall be held responsible for a Force Majeure Event. If any Force Majeure Event occurs, the Party delayed or unable to perform (hereinafter referred to as the "Nonperforming Party") shall give notice to the other Party, stating the nature of the Force Majeure Event, the steps that Nonperforming Party has or will take to minimize the effect of that event, and the amount of time the delay is expected to last. [REDACTED]



by the Parties or otherwise obtained by the Parties in connection with the performance of this Agreement.

14.4 [REDACTED]

14.5 The Parties have agreed that, pursuant to Czech public law (Act. No. 340/2015 Coll., Contract registration act) this Agreement shall be published in Czech contract register and that all unit prices constitute commercial secret of CSAT and shall not be published (i.e. respective parts of Article 4 hereof shall be made illegible before publishing of this Agreement in Czech contract register). CSAT explicitly declares that it considers any agreement regarding the fee to be provided according to this Agreement as its business secret.

14.6 Any agreement regarding the fee or any other payment which shall be provided to CSAT pursuant to this Agreement (particularly Article 4 hereof ) (the “**Strictly confidential information**”) shall be considered as strictly confidential. Parties a [REDACTED]

information only with prior written consent of the other Party. Parties are entitled do disclose the Strictly confidential information only to those employees and advisors who necessarily need to know these information for the purpose of fulfilment of this Agreement, and for fulfilment of their legal obligations (i.e. for the purpose of invoicing, accounting and tax purposes etc.). Advisors and employees who knows the Strictly confidential information have to be bind by duty of confidentiality. CSAT is prohibited to publish the Strictly confidential information in the Czech contract register. If any of the Parties breaches any of its obligatons according to this Article, it is obliged to pay to the other Party a contractual penalty in the amount of [REDACTED]

14.7 Disclosure of the Strictly confidential information which has to be necessarily done according to the applicable legal regulations does not establish breach of Articles 14.5 and 14.6 hereof.

## 15. LANGUAGE

15.1 All correspondence, documents and other written matters between [REDACTED] CSAT in connection with the Agreement shall be in Czech or English.

## 16. ENTIRE AGREEMENT, MODIFICATION

16.1 The Parties agree that the Agreement embodies the entire agreement of the

Parties with regard to the matters dealt with herein and supersedes any other prior oral or written agreement regarding the subject matter hereof. No warranties, representations, understandings or agreements regarding the subject matter hereof written or otherwise exist between the Parties, except as expressly set out in the Agreement.

16.2 The Annexes to this Agreement form an inseparable part of this Agreement.

16.3 No amendment, change or modification of the Agreement shall be valid unless in writing and signed on behalf of each Party by their authorized representatives.

## 17. COUNTERPARTS

17.1 Two (2) originals of this Agreement shall be signed and executed by the Parties.

[REDACTED]

## 18. WAIVER AND SEVERABILITY

18.1

[REDACTED]

18.2 Nothing contained in this Agreement shall require either Party to take any action contrary to the law or to any order or regulation of any government or contrary to any permit or authorization granted to either Party by any government.

18.3 If any of the provisions of this Agreement is declared to be invalid or unenforceable, those provisions shall be severed and the other provisions shall remain in full force and effect.

[REDACTED]

## 19. MISCELLANEOUS

19.1 Neither Party shall be entitled to assign this Agreement or any of its rights and/or obligations under this Agreement, whether in full or in part, to any Third Party without the other's Party prior written consent which shall not be unreasonably withheld.

19.2

[REDACTED]

[REDACTED]

19.3 [REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]

**20. INTERPRETATION**

20.1 [REDACTED]  
[REDACTED]

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

[REDACTED]

For and on behalf of:

For and on behalf of:

[REDACTED]

**Czech Airlines Technics, a. s.**

[REDACTED]



