

APPROVED BY
Chairman of the Bidding Commission
Rossiya Airlines JSC

M.N. Fedosov

(signature)

(name)

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(DD) (MM) (YYYY)

PROCUREMENT DOCUMENTATION

Procurement Method **Public Request for Quotations in the Territory of a Foreign State**

To be conducted in accordance of Federal law No.223-FZ "Concerning Procurement of Goods, Works, and Services by Certain Types of Legal Entities" and the Regulation on Procurement of Goods, Works, and Services (P 20-33-14, 2-nd edition)

Public Request for Quotations Electronic Format

Determination of Bidding **procurement from small and/or medium
Specific Features:** **business entities is not anticipated**

1. General Conditions

The procurement documentation is an invitation intended to public to present proposals for procurement procedure:

This procedure includes 1 lot.

Lot No.	1				
Designation of subject of the contract (lot):	Scheduled shop visit for a CFM56-7B engine ESN 888869				
Initial (maximum) contractual (lot) price excl. VAT	Currency of contract (lot)	Number (Volume)	Units of measure	Classification as per OKPD2	Classification as per OKVED2
4 500 000.00	USD	1	e.a.	30.30.60.190	33.16
Place of delivery/performance of work/service provision (address):	Abroad Russian Federation				

Procedure for the request for quotations is neither tender, nor auction for the right to be awarded a contract, and is not governed by Articles 447 to 449, Part One of the Civil Code of the Russian Federation. In addition, this procedure is not a public tender and is not governed by Articles 1057 to 1061, Part Two of the Civil Code of the Russian Federation. Thus, conduction of the Request for quotations does not imply any

appropriate civil obligations for the customer for mandatory contract conclusion with the winner or other bidder.

The Customer may withdraw the request for quotations at any time, not bearing any liability against the procurement parties including but not limited to reimbursement of any expenses related to preparation and submission of a bid for the request for quotations. In case of a decision to withdraw the request for quotations the Customer shall, within the day following the day when such decision was made, post information of such request for quotations withdrawal on the electronic trading platform.

The Customer shall bear no obligations or liability if the potential bidders, procurement parties fail to note the notice of withdrawal the request for quotations.

The Customer does not issue documentation regarding the request for quotations procedure upon separate requests of any bidder. Documentation will be posted on the electronic trading platform and may be copied and stored in the procurement bidders' hardware free of charge.

At any time prior to the deadline for submission of bids for the request for quotations the customer may, on his own initiative, or in response to an inquiry from any potential bidder, make changes to the notice about the request for quotations or documentation for the request for quotations.

Within three days from the date of a decision on required amendments in the notice for the request for quotations or documentation for the request for quotations, the customer shall post such amendments on the electronic trading platform.

If changes to the notice about the request for price quotation are made later than one business day prior to deadline for submission of bids for the request for quotations, time period of submission of bids for request for quotations shall be extended so that such time period is at least three business days between the date of posting the changes made to the notice on procurement on the electronic trading platform and the deadline of submission of bids for the request for quotations.

Any potential bidder may send to the Customer a clarification query regarding provisions of documentation for the request for quotations in written or in electronic format at least two business days prior to the bids submission deadline. Within one business day from the date of receipt of the above-mentioned inquiry for clarification of the provisions of the documentation the Customer shall provide clarifications to the potential bidder submitted the inquiry and to post such clarifications i on the electronic trading platform (not indicating name or address of the potential bidder provided this inquiry for clarification).

2. Procedure and place of submission of procurement bids.

2.1. Time period of the procurement procedure:

Time and date of bids submission beginning	16 FEB 2017, 18.00 Moscow time
Time and date of bids submission deadline:	28 FEB 2017, 10.00 Moscow time
Place of bidders' bids submission	Electronic Trading Platform Gazprombank Group http://etpgpb.ru/
Place and date of bids review and summarizing procurement results:	18/4 Pilotov str., Saint-Petersburg, 196210 07 MAR 2017

2.2. Contact person for issues related to Bid preparation and submission:

Mrs. Irina Kharevich
Lead Economist of Tender Department, Rossiya Airlines JSC
Phone: +7(812) 6-333-949 or +7 (812) 633-39-99 extension 2463
e-mail: tender@rossiya-airlines.com

2.3. Contact person for Terms of Reference issues:

Mr. Andrey Yashin
 Powerplant Engineer B737, B777 Fleets, Rossiya Airlines JSC
 phone: +7 (987) 788 44 96 or +7 (3532) 67-66-57
 e-mail: A.Yashin@rossiya-airlines.com

2.4. For the purpose of bidding for the request for quotations, potential bidder shall compile the bid for the request for quotations executed fully in compliance with the requirements of documentation for the request for quotations. The potential bidder may submit only one bid related to each subject of the request for quotations.

2.5. Obligations of the procurement bidder related to submission of a bid for participation in the request for quotations include the following:

2.5.1. To conclude a contract on terms and conditions specified in the draft contract being an integral part of the documentation and the request for quotations notice, and the bid for the request for quotations unless otherwise is provided for in this documentation.

2.5.2. Not to amend and/or withdraw his bid for the request for price quotations after the deadline for submission of the request for price quotation bids.

2.5.3. Not to include deliberate misrepresentations, information, or documents into the bid.

2.5.4. To submit, within three days from the date of posting a protocol determining the bidder's right for entering into a contract with the customer, information regarding whole chain of owners including beneficiaries (including end ones) and about structure of executive boards supported by appropriate documents according to the form provided in Appendix D to the Policy of Procurement of Goods, Work, and Services by Rossiya Airlines JSC (except for procurement parties that are government bodies, state and municipal institutions, and unitary enterprises).

2.6. The Customer will carry on reception of bids for request for quotation from the date of posting of the request for quotations notice on the electronic trading platform and till the deadline for submission of bids for request for quotation specified in the request for quotations notice.

2.7. Bidder is entitled to amend or withdraw submitted bid for the request for quotations no later than the deadline for submission of the bids for the request for quotations. Bidder may make amendments or additions to the Bid only by submitting a new Bid while the initial Bid shall be withdrawn by the Bidder.

2.8. The Customer shall keep the data specified in submitted bids confidential until summarizing results of the request for quotations.

2.9. If upon the deadline for submission of bids for the request for quotations as specified in the documentation for the request for quotations only one bid for the request for quotations is received such request for quotations shall be declared void.

2.10. In case the documentation provides for two and more lots, request for price quotation admits shall be declared void only in relation to those lots, for which only one bid has been submitted.

2.11. If upon the deadline for submission of bids for the request for quotations as specified in the documentation for the request for quotations the Customer receives only one bid for the request for quotations, although the request for quotations shall be declared void the bidding commission shall review this bid according to the procedure stipulated in the present documentation. If both reviewed bid for the request for quotations and the procurement bidder submitted such bid meet the requirements and provisions stipulated in the documentation for the request for quotations the Customer may enter into a contract with such bidder.

2.12. Confidential information shall not be specified in any reports to be issued during the procurement procedure.

2.13. A bidder shall prepare all the required bidding pipework in full compliance with the requirements herein stated and upload it at the electronic trading platform in a format of electronically scanned copies of the originally signed documents.

3. Method, due dates and procedure of payments for goods, works, and services*

Payment method shall be bank transfer.

Payment due dates and procedure:

- Downpayment of not more than 20% of the Fixed Price may be payable before engine induction.
- Balance of the Fixed Price shall be payable upon completion of works and before engine redelivery.
- Balance of total repair cost shall be payable within 30 calendar days from a date of receipt of Contractor's final invoice by the Customer.

4. Requirements to safety, quality, technical characteristics, functional characteristics (consumer attributes) of the goods, work, and service, to sizes, packaging, shipment of goods, and to work output specified by the customer and stipulated by technical regulations in accordance with the Russian legislation concerning technical regulation, the documents developed and applied in the national system of standardization, introduced in accordance with the Russian legislation concerning standardization, and other requirements related to determination of compliance of the delivered goods, performed work, and rendered service to the customer needs.

4.1. Requirements to safety, quality, technical characteristics, functional characteristics (consumer attributes) of the goods, work, and service, to sizes, packaging, shipment of goods, and to work output specified by the customer and stipulated by technical regulations in accordance with the Russian legislation concerning technical regulation, the documents developed and applied in the national system of standardization, introduced in accordance with the Russian legislation concerning standardization, and other requirements related to determination of compliance of the delivered goods, performed work, and rendered service to the customer needs are given in the Terms of Reference (see Appendix 3).

4.2. Requirements to contractual capacity of Procurement Bidders:

4.2.1. Bidder shall comply with the requirements established according to the Russian legislation for persons rendering services;

4.2.2. Availability of the appropriate licenses, certificates, approvals and other permissions of state bodies of the Russian Federation and/or other countries (when applicable) to perform, by him or persons involved by him, operations required to execute obligations undertaken in accordance with the present Documentation and the contract expected to be concluded in accordance with the present Documentation;

4.2.3. Procurement bidder shall not be under liquidation as a legal entity and there shall be no any adjudication order for the procurement bidder as a legal entity/solo trader or initiated bankruptcy proceedings;

4.2.4. Operations of the procurement bidder shall not be suspended according to the procedure stipulated by the Russian Federation Administrative Offence Code as of the date of submission of the bid for participation in procurement;

4.2.5. The procurement bidder shall have no outstanding liabilities in respect to taxes and levies, and other obligatory payments to budgets of the budget system of the Russian Federation (except for the amounts subject to granted delay, payment by installments, or investment tax credit in accordance with the Russian legislation concerning taxes and levies re-structured in accordance with the Russian legislation, for which there is legally effective court award to recognize the applicant obligation to pay these amounts executed performed or which have been are recognized as uncollectibles in accordance with the tax and levy legislation of the Russian Federation) for recent calendar year.

The procurement bidder is considered to conform to the specified requirement if he has submitted and application for appeal against the stated tax arrears or debt and no award with respect to this application has been made as of the date of review of the bid for selection of supplier (contractor, provider);

4.2.6. Indicators of the procurement bidder's financial and economic performance shall provide evidence of his financial solvency and stability;

4.2.7. Procurement bidder shall not be listed in the suppliers blacklist as stipulated in Art. 5 of Federal Law No.223-FZ nor in the suppliers blacklist as stipulated in Federal Law No.44-FZ "On Contractual System regarding Central and Local Government Procurement of Goods, Works and Services" dated April 5, 2013.

4.2.8. In case procurement is carried out among small and medium-sized business entities only the procurement bidder shall meet criteria of designation as small and medium-sized business entities as stipulated by Article 4 of the Federal Law Concerning Development of Small and Medium-Sized Business in the Russian Federation.

4.3. List of all documents to certify the procurement bidder's compliance with the specified requirements is given in the Bidder Questionnaire (see Appendix 1).

4.4. Due date of contract signing by the bidder whose bid is recognized to be the best one – within three calendar days from the date of contract receipt from the Customer.

5. Requirements for content, format, execution and structure of bids for procurement

5.1. The bidder's bid shall comprise the following documents:

5.1.1. Bidder Questionnaire to be issued in the company letter headed paper of the procurement bidder (see Appendix 1);

5.1.2. Application for participation in the procedure to be issued in the company letter headed paper of the procurement bidder (see Appendix 2);

5.1.3. Quotation in accordance with it. 5.6÷5.8;

5.2. All documents and information to be submitted by the bidders including the bidder's application and quotation shall be in Russian or English language. If any information or documents are submitted in other language they shall be accompanied with translation into Russian or English language.

5.3. All rates in the bid shall be indicated in United States Dollars (USD, US\$, \$) including all taxes and fees.

5.4. Validity period of the bid for participation in procurement shall be at least 30 days form the deadline for submission of the procurement bids.

5.5. Bidders shall pay by themselves all expenses related to bids submission including but not limited to expenses concerning review of the present Documentation and bid compilation.

5.6. Quotation shall be compiled in accordance with the Terms of Reference (see Appendix 3) and shall include the following:

- Turnaround time
- Fixed price for performance of SV
- Workmanship warranty term

5.7. Quotations shall be submitted for each lot separately.

5.8. Quotation shall include one main offer for cost, time periods and other terms and conditions of goods delivery / work performance / service rendering unless otherwise provided for by the procurement documentation.

5.8.1. Possibility of submission of an alternative quotation: Not anticipated

5.8.2. Possibility of subcontracting: Anticipated

5.9. Lot separability: Not anticipated

6. Procedure of review, evaluation and benchmarking of bids, criteria of evaluation and benchmarking of bids for procurement

6.1. Quotations shall be reviewed directly by the bidding commission of Rossiya Airlines JSC approved by the Order of the General Director of Rossiya Airlines JSC.

6.2. Procurement bids are subject to two-stage review:

The first stage – pre-qualification stage to check the bids for compliance with the requirements given in the procurement documentation with respect to bid execution;

The second stage – evaluation stage to evaluate pre-qualified bids.

6.3. Pre-qualification stage intended to review of the bids the bids for compliance with the requirements given in the procurement documentation shall be conducted based on the following indicators and evaluation procedure:

Indicators	Evaluation procedure
Compliance with the requirements for procurement parties	Bidders will be checked for compliance with the requirements based on the received documents (according to it.4) including but not limited to their legal capacity and non-listing in the blacklist of suppliers.
Completeness of submitted documents	Check of documents submitted within the bid against the required list (Appendix 1) and accuracy of submitted information and documents.
Bid compliance with the requirements of procurement documentation	Check of the bid content including: Content of price quotation; Other information in accordance with the requirements given in the procurement documentation.

6.4. If during the pre-qualification stage the bidding committee reveals the fact of the bid non-conformance with respect to one or more indicators specified in it. 6.3 such bid shall be rejected and not further review.

Bid of procurement bidder will be rejected in case:

- a) Any original documents or copies and other information as required by the procurement documentation are not submitted;
- b) Of non-compliance of the procurement bidder with the requirements to procurement parties stipulated in the procurement documentation;
- c) The bid includes deliberate misrepresentations, fraud in information or documents within the bid;
- d) Clarifications for the bid for the request for quotations are not provided when requested by the bidding commission;

- e) The procurement bidder is listed in blacklist of suppliers;
- f) The procurement bidder has any overdue receivables and/or pending obligations against the customer and his subsidiaries and affiliates (including entities affiliated with the procurement bidder);
- g) The proposed goods, work or services do not comply with the requirements given in the procurement documentation;
- h) Of any other negative information resulted revealed during the check.

6.5. The pre-qualification stage comprises the following steps to be performed subsequently:

6.5.1. Request the procurements parties to provide clarifications of the bid provisions and submit any missing documents (if necessary). In this case no any requests or requirements to submit missing documents aimed to amend merits of the bid including amendment of commercial terms (prices and other commercial conditions) or technical conditions of the bid (list of proposed products, their technical characteristics, and other technical conditions) are allowed.

6.5.2. Correction of any arithmetic, grammatical and other obvious errors revealed during bid review with obligatory notification of the procurement bidder submitted the bid about any such correction, and receipt of their consent in writing or in electronic format issued on the company letter headed paper.

6.5.3. Check of the procurement bidder including his legal capacity, authenticity of the bid, accuracy of submitted information and documents, bidder non-listing in the blacklist of suppliers, any overdue receivables and/or pending obligations against the customer under the previously concluded contracts (including those with entities affiliated with the procurement bidder).

6.5.4. Check of the proposed goods, work, and services for compliance with the requirements of the procurement documentation.

6.5.5. Rejection of bids that are which, according to members of the bidding commission, do not conform to requirements of the request for price quotation with respect to merits, and making decision whether to deny pre-qualification of procurement bidder submitted such bids.

6.5.6. In case of finding fact of unreliable data indicated in the bid, finding fact of liquidation or bankruptcy proceedings or adjudication order being taken against the procurement bidder, fact of suspended operations of the procurement bidder according to the procedure established by Russian Federation Administrative Offence Code, fact of arrears of assessed taxes, duties and other obligatory payments to budgets of any level or state non-budgetary funds over the recent calendar year such procurement bidder shall be banned from bidding for the request for quotations procedure at any stage.

6.5.7. If during the pre-qualification stage a bid of only one procurement bidder is deemed to be complying with the requirements of the documentation for request for price quotation procedure such bidder shall be deemed to be the only one bidder for the request for quotations. The Customer is entitled to conclude a contract with the only one procurement bidder under the conditions given in the documentation for the request for quotations procedure, draft contract and the bid submitted by the bidder. Such bidder may not withdraw from conclusion a contract with the Customer. In this case the request for quotations shall be deemed void.

6.6. Pre-qualified bids will pass the evaluation stage based on the following criteria and according to the following procedure:

A specific number of scores for every evaluation criteria will be given to each bid.

To calculate the number of scores for an evaluation criteria 1 and 2 in the table below, for which this documentation stipulates the biggest (maximum) acceptable volume (e.g. maximum lot price) the following formula is used:

$$S_{\text{base}} / S_{\text{bid}} * K, \text{ where:}$$

S_{base} – the best (minimum) volume among all the bids;

S_{bid} – volume in the bid being evaluated;

K – maximum score for the evaluation criteria as per the table below.

To calculate the number of scores for an evaluation criteria 3 and 4 in the table below, for which this documentation stipulates the least (minimum) acceptable volume (e.g. Warranty term) the following formula is used:

$$S_{\text{bid}} / S_{\text{base}} * K, \text{ where:}$$

S_{base} – the best (maximum) volume among all the bids;

S_{bid} – volume in the bid being evaluated;

K – maximum score for the evaluation criteria as per the table below.

No	Evaluation Criteria	Maximum Score
1.	Turnaround time	20
2.	Fixed price for performance of SV*	70
3.	Workmanship warranty term	10
	Maximum total number of scores	100

**Common basis for comparison of quotations shall be quoted prices of all bidders excluding VAT.*

6.7. Placing final score to a bid:

6.7.1. Final score for each bid for the request for quotations shall be calculated by addition of scores for each criterion of the bid evaluation given in it.6.6.

6.7.2. Each bid for the request for quotations shall get a sequence number as advantage degree of contract execution terms and conditions identified in the bid decreases based on the results of calculation of final score for each bid.

6.7.3. The first number will be assigned to the bid for the request for quotations gained the highest final score.

6.8. The bidder offered the best combination of contract execution terms and conditions and gained the first number for his bid for the request for quotations will be announced the winner.

If more than one bids for the request for quotations include equivalent combinations of contract execution terms and conditions, the bid that has been received before other bids for the request for quotations with similar terms and conditions shall be assigned higher sequence number.

If during evaluation and benchmarking of bids for request for price quotation the bidding commission needs to extend time period of pre-qualification and/or evaluation stage specified as periods of review of quotations submitted by the procurement parties and summarizing procurement results in the notice for the request for quotations, the customer, within one working day from the date when the bidding commission decided to extend time period of the pre-qualification and/or evaluation stage, shall post notification about extension of appropriate time period on the electronic trading platform.

6.9. For the purpose of evaluation and benchmarking of the bids for the request for quotations, the bidding commission will involve experts and specialists from the customer divisions and, but not limited to, any other parties as thought to be necessary. Expert conclusion based on the results of the evaluation shall be submitted to the bidding commission to be used for making decision on determination of a winner. The bidding commission may disagree with conclusions and recommendations given in the expert conclusion provide applications for re-evaluation and re-comparison, involve other experts and specialists, or decide themselves. In this case, parties involved into

bids evaluation and comparison including members of the bidding commission shall ensure confidentiality of evaluation process.

6.10. Based on the results of the Bidding Commission meeting in order to determine a winner of the request for quotations a Report on the results of the request for quotations shall be issued.

6.11. If the winner of the request for quotations avoids concluding the contract, the Bidding Commission shall be entitled to decide to award the contract to the bidder whose bid has been assigned the second number based on the outcome of evaluation and comparison of bids (quotations), under the terms and conditions given in the contract attached to the documentation and under the conditions of contract execution proposed by this bidder. Such decision shall be issued as an appropriate minutes of the meeting of the Bidding Commission. Bidder for the request for quotations is not entitled to withdraw from conclusion a contract.

6.12. The Customer shall be entitled to refuse to award a contract without reimbursement of any expenses related bidding for the request for quotations to the winner or any other bidders.

6.13. If the Customer refuse to conclude a contract both with the winner of the request for quotations and the bidder whose bid was the second one, the Customer shall post a relevant notification on the electronic trading platform.

7. Consequences of recognition of the request for quotations to be void

In case the request for quotations is recognized to be void and/or no contract is concluded with the procurement bidder submitted only one bid for request for quotations or recognized to be the only one bidder for the request for quotations the Customer may repeat the request for quotations or apply an alternative method of procurement.

8. Final provisions

All other matters not covered by the present procurement documentation the Customer shall follow the Procurement Policy.

9. Appendices

Appendix 1	Bidder's Questionnaire
Appendix 2	Application for Participation in the Procedure
Appendix 3	Terms of Reference
Appendix 4	Draft Contract

Appendix 1
to the Procurement Documentation

QUESTIONNAIRE OF BIDDER¹
for procurement procedure:

(state designation of procedure)

Procedure No. _____
(state number of procedure)

Lot No. _____
(state number of lot)

(specify full name of the company in accordance with the Charter and type of business organization)

(specify short name of the company in accordance with the Charter)

1. Legal Details

Country _____ **of** _____
registration

Legal address _____

Actual address _____

Phone _____

Fax _____

E-mail _____

2. Bank Details

Entity's Taxpayer Identification Number
/ Taxpayer Record Validity Code (KPP):

Princi
pal

State

Regist
ration

Numb
er

(OGR
N):

Number of current
account

Bank name

Correspondent account

BIC

3. Registration details

Registration date, place and authority

Shareholde
rs

Business profile

Affiliation with small and/or medium-sized business²

Russian National Classifier of Businesses and Organizations (OKPO)

¹ To be issued on a procurement bidder's company letter-headed paper as a separate document.

² If the bidder is classified as a small or medium-sized business entity, a declaration of conformity executed according to the form given below shall be attached to the bid.

Russian Classification of Economic Activities (OKVED)

4. Attachments to the Bidder Questionnaire:

Document Title	Number of pages
1. Notarized copies of incorporative documents (Certificate of State Registration, Charter, Articles of Association).	
2. Notarized copy of extract from the Unified State Register of Legal Entities/ or the Unified State Register of Individual Entrepreneurs obtained no earlier than 6 months prior to date of posting of the notice for request for quotations on the electronic trading platform (for foreign companies – abstract from a trade register).	
3. Certificates of no outstanding tax liability to the budgets of all level and insurance deductions issued by appropriate divisions of the Federal tax Service no earlier than 3 months prior to date of posting of the notice for request for quotations on the electronic trading platform. (this requirement does not cover bidders that are non-Russian residents).	
4. Documents confirming right of the procurement bidder to deliver goods not produced by him, supported by corporate guarantees of the goods manufacturer (originals or copies)	
Document confirming powers of the person to perform actions on behalf of the procurement bidder - the legal entity (copy of the decision on appointment or election or order on appointment of a physical person to a position, according to which such physical person has rights to act on behalf of the procurement bidder without power of attorney (hereinafter also referred to the - the chief executive officer). If the procurement bidder is represented by any other person acting on behalf of them, the bid shall also contain the power of attorney to act on behalf of the procurement bidder certified by the procurement bidder's seal (for legal entities) and signed by the chief executive officer of the procurement bidder or a person authorized by this chief executive officer, or the notarized copy of such power of attorney. In case the above-mentioned power of attorney is signed by person authorized by the chief executive officer of the procurement bidder the bid shall also include a document to confirm power of such person.	
5. Copies of accounting records: for Russian legal entities – copies of balance sheet, statement of financial results including all attachments thereto, for the recent reporting period except for newly registered companies (for foreign companies – copies of documents similar to balance sheet and statement of financial results).	
6. Copies of documents confirming the right to run certain operations (licenses, etc.) in cases permitted by the applicable legislation of the Russian Federation and/or confirming the goods and services compliance to certification requirements.	
7. Copies of notification about application of the simplified taxation system (STS) or notification letter of the bidder about application of the STS bearing a seal of a tax authority (where applicable), supporting by the tax declaration for the tax paid in connection with application of the STS, for the recent year.	
8. Information on non-availability/availability affiliation of the procurement bidder with Rossiya Airlines JSC employees and their close relatives (spouses, children, parents, brothers and sisters).	
9. Brief background of the company's activities.	
10. Copies of audit reports (if any).	
11. For a group (several persons) of persons acting for the procurement bidder, an original or a notarized copy of the document confirming consolidation of the persons acting for the procurement bidder as a group, and the right of the certain procurement bidder to participate in the procedure on behalf of a group of persons including right to submit	

application for bidding, to sign protocols and contract shall be also provided.		
12. Description of the goods to be delivered, their functional characteristics, quantity and quality characteristics (if the goods are a procurement subject) or description of the work to be performed, or description of the service to be rendered (if subject of the procurement is work or service), their quantity and quality characteristics.		
13. ³		
5. Contact person _____ (specify name, surname, phone, fax, e-mail)		
The bidder hereby confirms accuracy of all information stated in the Questionnaire and agrees with all conditions specified in the procurement documentation related to the procurement procedure:		

(state designation of procedure)		
<div style="display: flex; justify-content: space-between; align-items: flex-end; padding-top: 20px;"> <div style="text-align: center;"> (position of the chief executive officer) Stamp Date of compilation </div> <div style="text-align: center;"> « _____ » (DD) (MM) (YYYY) </div> <div style="text-align: center;"> _____ (signature) (state name) </div> </div>		

³ Procurement bidder may submit any additional information about his company.

DECLARATION
on the procurement bidder compliance
with criteria of classification as an entity of small and medium-sized business

We hereby confirm that _____
(specify name of the procurement bidder)

in accordance with Article 4 of the Federal law Concerning the Development of Small and Medium-Sized Business in the Russian Federation meets the criteria of classification as _____
(specify small or medium-sized business entity depending on the criteria of classification)

business entity and report the following information:

1. Place of business address (legal address): _____.
2. Taxpayer Identification Number / Taxpayer Record Validity Code (KPP): _____.

(N, information about date when the document was issued and the authority issued the document)

3. Principal State Registration Number (OGRN): _____.

4. Information about availability (non-availability) in the register of small and medium-sized business entities of the constituent entity of the Russian Federation (if such register is maintained by the governmental authority of the constituent entity of the Russian Federation) _____.

(name of a notified body, date of registration and register number)

5. Information about compliance with the criteria of classification as small and medium-sized business entities, and information about manufactured goods, work, and services and types of activities <1>:

Item No.	Information designation <2>	Small entities	Medium entities	Indicator
1 <3>	2	3	4	5
1.	Total share in equity (joint-stock) capital (share fund) of the Russian Federation, constituent entity of the Russian Federation, municipalities, public and religious organizations (associations), charitable and other foundations in the equity (joint-stock) capital (share fund) of the specified legal entities shall not exceed twenty five percent (except for total share included into asset composition of joint-stock investment funds, property assets of closed-end investment funds, common property assets of investment partnerships), percent	Max. 25		-
2.	Total share in equity (joint-stock) capital (share fund) of foreign legal entities, percent	Max. 49		-
3.	Total share owned by one or more legal	Max. 49		-

	entities that are not small and medium-sized business entities, percent			
4.	Average number of employees for preceding calendar year (to be determined considering all employees including those working under civil law contracts or in secondary employment considering actual working hours, employees of representations, branches and other separate divisions of the specified micro-sized enterprise, small enterprise or medium-sized enterprise) for the recent 3 years, persons	up to 100 inclusive	from 101 to 250 inclusive	specify number of persons (for each year)
		up to 15 for micro-sized enterprise		
5.	Revenues from sales of goods, work, and services excluding value added tax or book value of assets (depreciated book value of fixed assets and intangible assets) for the recent 3 years, mln. roubles	800	2000	To be indicated in mln. roubles (for each year)
		120 per year – for micro-sized enterprise		
6.	Information about types of activity of the legal entity according to constituent documents or about types of activity of the physical person recorded in the Unified State Register of Private Entrepreneurs and performing business activity without foundation of a legal entity with indication of the OKVED2 (Russian Classification of Economic Activities) and OKPD2 (Russian National Classification of Products as per Types of Economic Activities) codes	-		
7.	Information about goods, work, and services produced by small and medium-sized business entities with identification of OKVED2 and OKPD2 codes	-		
8	Information about participation in approved programs of partnership of certain customers with small and medium-sized business entities	yes (no) (if participated – state name of the customer implementing the partnership program)		
9.	Availability of information about the small and medium-sized business entity in the register of partnership program participants	yes (no) (if available - specify name of the customer-holder of the partnership program register)		
10.	Experience of execution of public and	yes (no)		

	municipal contracts, civil agreements of budgetary institutions or agreements signed with legal entities covered by the Federal Law Concerning Procurement of Goods, Works, and Services by Certain Types of Legal Entities”	(if any – specify number of executed contracts and total amount)
11.	Information of experience in production and delivery of products included into the innovative products register	yes (no)
12.	Information whether the small and medium-sized business entity has status of a person participating in executing of project for creation and support of operation of a territorially separate complex (Skolkovo Innovative Centre)	-
13.	Information that the chief executive officer, members of collegial executive body, chief accountant of the small and medium-sized business entity have no criminal records for crimes in the sphere of economy (except for persons with expired or expunged criminal records), and that no punishment in form of disqualification to hold certain positions or to practise certain professions related to activities of the small and medium-sized business entity, or administrative punishment in form of disqualification has been invoked in relation of the above-mentioned individuals	yes (no)
14.	Information about available data about the small and medium-sized business entity in blacklists of suppliers stipulated by the Federal Law Concerning Procurement of Goods, Works, and Services by Certain Types of Legal Entities and the Federal Law On Contractual System regarding Central and Local Government Procurement of Goods, Works and Services	yes (no)

Company Chief Executive Officer

/ _____ /

(solo trader)

(signature)

Name, position

Stamp

<1> Category of a small or medium-sized business entity will be changed only when limit values are beyond the limit values specified in item 4 hereof, during 3 successive calendar years.

<2> Restrictions on total share in the equity (joint-stock) capital (share fund) of foreign legal entities, the total share owned by one or more legal entities who are not small and medium-sized business entities do not cover commercial companies and economic partnerships, whose activities are practical use (implementation) of results of intellectual activities (software for electronic computers, databases, inventions, useful models, production prototypes, selection inventions, integrated circuit topographies, know-how, exclusive rights for which belong to shareholders (partners), respectively, of such commercial companies, economic partnerships being budgetary, autonomous research institutions or budget organizations, autonomous organizations, and higher educational institutions; legal entities received a project participant status according to Federal law No.244-FZ Concerning Skolkovo Innovative Center dated September 28, 2010, legal entities where shareholders (partners) are legal entities included in the list of the legal entities providing the state support of innovative activities approved by the Government of the Russian Federation, in forms as stipulated by Federal law No.127-FZ Concerning Science and State Scientific and Technical Policy dated August 23, 1996.

<3> Items 1 - 7 are mandatory and must be filled in.";

Appendix 2
to the Procurement Documentation

Application for Bidding ⁴ in the public request for quotations:		
(specify name of the procurement procedure, number of procedure, and lot number, if required)		
1. Having studied conditions and requirements given in the procurement documentation posted at the Electronic Trading Facility		
at:		
(specify address where the procedure was published)		
and Policy of Procurement of Goods, Work, and Services of the Customer		
and accepting requirements and conditions of the request for price quotation procedure and conditions of goods delivery (work performance, service rendering) stipulated in them		
(specify full name of legal entity / name, surname of individual)		
registered at the following address:		
(specify place of business of legal entity / place of residence of individual)		
proposes to conclude a contract for		
(specify subject of the contract)		
in accordance with the quote and other documents being an integral part of the present bid for the request for quotations.		
Key parameters of our bid are as follows		
1	Turnaround time	(specify)
2	Fixed price for performance of SV	(specify)
3	Workmanship warranty term	(specify)
2. We hereby inform (declare) that		
(specify full name of legal entity / name, surname of individual)		
Is not affected by any adjudication order or initiated bankruptcy proceedings (for legal entities).		
Operations are not suspended according to the procedure established by the Russian Federation Administrative Offence Code, as of the date of submission of the bid for the purpose of participation in procurement;		
No records in the suppliers blacklist as stipulated in Art.5 of Federal Law No.223-FZ nor in the suppliers blacklist as stipulated in Federal Law No.44-FZ on Contractual System regarding Central and Local Government Procurement of Goods, Works and Services dated April 5, 2013 are available.		
3. We hereby guarantee accuracy of information in the bid for the request for quotations submitted by us and confirm the Customer's right to request from us, any		

⁴ To be issued on a procurement bidder's company letter-headed paper as a separate document.

authorised bodies, and legal entities and individuals mentioned in our bid for the request for quotations information specifying data stated in the bid, provided this that does not contradict the requirement for generation of the request for quotations conditions equal for all bidders.			
4. In case we win the request for quotations we guarantee submission of all information regarding whole chain of owners including beneficiaries (including end ones) and about structure of executive boards supported by appropriate documents, within three days from the date of posting of the Report determining the bidder's right to conclude a contract with the customer on the electronic trading platform.			
5. In case, based on the results of the request for quotations, the Customer award us a contract we undertake to sign a contract with Rossiya Airlines JSC in accordance with the requirements given in the documentation for the request for quotations and terms and conditions of our quotes, within three calendar days from the date of receipt of the present contract from the customer.			
6. In case we are recognized to be the second winner of the request or price quotations based on the results of procurement procedure and the winner of the request for quotations is deemed to be avoiding entering into contract we undertake to sign this contract in accordance with the requirements given in the request for quotations documentation and our quote.			
7. In case we are recognised to be the only one request for quotations bidder we undertake to sign the contract in accordance with the requirements given in the request for quotations documentation and at the price indicated in our quote.			
8. In case we are recognised to be the winner of the request for price for quotations or it is decided to conclude a contract with us in the stipulated cases, and our avoidance of entering into the contract, that are subject of the request for quotations we agree that information			
about			
(specify full name of legal entity / name, surname of individual)			
should be included into the supplier blacklist.			
9. We undertake not to amend and/or withdraw our bid for the request for quotations after the deadline for submission of bids for the request for quotations.			
10. By submitting the present bid, we confirm our consent to personal data proceeding in accordance with Federal Law No.152-FZ Concerning Personal Data dated July 27, 2006 ⁶ .			
11. Documents being an integral part of our bid for the request for quotations are attached to the present bid for the request for quotations,			
as per the list on		page	
Chief executive officer			
		(signature)	(state name)
Stamp			
Date of compilation « »			
		(DD)	(MM) (YYYY)

Appendix 3
to the Procurement Documentation

Terms of Reference
Scheduled Shop Visit for a CFM56-7B engine ESN 888869.

St. Petersburg

2017

1. Terms, Conditions and Procedure of Payment

1.1. Payment shall be via bank wire transfer.

1.2. Invoicing and payment terms:

- Downpayment of not more than 20% of the Fixed Price may be payable before engine induction.
- Balance of the Fixed Price shall be payable upon completion of works and before engine redelivery.
- Balance of total repair cost shall be payable within 30 calendar days from a date of receipt of Contractor's final invoice by the Customer.

2. Shop Visit timeframe

2.1. Shop Visit start date – 10 March 2017 (tentatively).

2.2. Shop Visit Turnaround time – **53 calendar days** or less.

3. Major requirements for the Shop Visit proposal

3.1. Shop Visit proposal shall be prepared based upon the Fixed Price of repair in accordance with the requested Workscope (in accordance with the Annex 1 hereto).

3.2. On Customer's request, a final invoice may be prepared based upon Time and Material cost.

3.3. The Fixed Price of Repair shall **not exceed 3 000 000.00 USD** and shall cover:

3.3.1. Labor and Services:

- Engineering support services such as Workscope customization, SB evaluation and implementation recommendation.
- Engine incoming inspection.
- Engine Components removal and reinstallation (including LRU, QEC).
- Engine disassembly.
- Engine Modules disassembly (where applicable per Workscope).
- Cleaning, Non-Destructive Testing and inspection of Engine Parts.
- In-house Engine Parts repair (where MRO has in-house capabilities).
- Outsourced Engine Parts repair.
- Labour for parts replacement including labor for replacement of LLPs.
- Labour and material for SB and AD as required per Workscope.
- Labour and material for incorporation of Cat 1 through 3 SBs if applicable.
- Module balancing and reassembly and Engine final assembly.
- Engine gas path wash (if required).
- Engine performance test run (preparation and performance of the test and Engine components operational check during Engine performance test run).

- Engine post-test borescope inspection (with video recording), final inspection and preparation of Engine documentation.
- Engine Preservation.
- Preparation for shipment.
- All the additional works resulting from work scope and inspection but not leading to the Workscope extension.
- Any handling charges incurred in connection with the Engine repair.
- Engine round trip transportation from place of removal (Moscow, Russia) and back.

3.3.2. Material, including:

- All Scrapped Engine Parts requiring replacement and the applicable handling fees.
- Repair or scrap replacement of all (100%) Airfoil material, including HPT blades and vanes, as required and applicable handling fees as required per Workscope.
- Engine Parts subcontracted repair and applicable handling fees.
- Exchanged Engine Parts and applicable handling fees.
- Test cell usage for final engine performance test including oil & fuel.
- All the required Consumables and Expendables.
- Parts and materials for all the additional works resulting from Workscope and inspection.
- Engine Parts shall be subject to engine Lessor's approval. The Contractor shall provide paperwork for review for all serialised parts and high cost parts including but not limited to Fan Blades, major casings, HPT Blades, HPT Shrouds, HPT NGVs, LPT NGVs, LPT Blades and Vanes (depending on Lessor's requirements). In case Lessor does not approve parts for any reasons (missing paperwork etc.), the Contractor shall continue the search of applicable parts and propose other options for review. The Customer shall have a right to purchase from the market supply any parts by its own and the Contractor shall deduct the actual cost of such Customer-supplied parts from the Fixed Price.

3.3.3. Components

- Labour and Material for all Engine accessories and components including QEC removal, installation, maintenance and/or repair. Workscope (visual inspection, bench test or overhaul) should be in accordance with the Workscope Planning Guide and the Annex 2 hereto.
- Any handling charges incurred in connection with repair of the accessories and QEC.

3.4. The following shall be excluded from the Fixed Price of Repair:

- Cost of LLPs required for replacement.
- Any additional work not covered by the required Workscope.

3.5. Annual escalation of the Fixed Price shall not exceed 2,6 %

3.6. Time & Material rates for all works not included in the requested Workscope should not exceed:

Man-Hour Rate	48 USD
Handling Charge for the non-LLP material supplied by the Contractor for Extra Work only	2.0% of CLP capped at 1,500 USD per part / 2,000 USD per line item
Handling Charge for the LLP material supplied by the Contractor	3.5 % of CLP capped at 4,500 USD per part

Handling Charge for the non-LLP material supplied by the Customer	2.0% of CLP capped at 1,500 USD per part / 2,000 USD per line item
Handling Charge for the LLP material supplied by the Customer	0%
Subcontract Handling Charge	5,0% of subcontractor's invoice

3.7. Material Support

- There should be spare parts and consumable materials support during maintenance event.
- All new spare parts shall have certificates such as EASA Form 1 or FAA 8130-3.
- All repaired/overhauled spare parts (including LLPs supplied by the Contractor) shall possess certificates EASA Form 1 or FAA form with EASA approval / (Dual release) and Back to Birth traceability and should be approved by the Customer before installation.
- All supplied spare parts shall bear OEM Part Numbers.
- DER-repairs or PMA-parts are NOT allowed.
- A 24/7 on-site material coordinator should be assigned to the Shop Visit by the Contractor at no cost to the Customer.
- The Contractor shall provide material storage facility to support the Shop Visit

3.8. A guaranteed EGT Margin for the engine Workscope type should be at least 62°C at the test cell run after the Shop Visit. The Contractor shall monetary compensate for each °C below the guaranteed EGTM. In addition, in case EGTM is 10°C or more below the guaranteed EGTM, the Contractor shall re-induct the engine at its sole cost.

3.9. Warranty terms:

- A Contractor should **guarantee a minimum of 6000 FH or 24 moths** of engine operation for the workmanship of repair, whichever comes first.
- Each part or unit supplied, repaired/overhauled by engine maintenance provider, by its vendors and subcontractors then installed on/in the engine will have warranty after engine release date: for new parts 4000 FH or 12 months, for repaired/overhauled parts 3000 or 12 months whichever comes first.

4. Additional requirements for the Shop Visit

4.1. A successful bidder for this Shop Visit should have been trading internationally for not less than 4 years as a CAA-certified CFM56-7 model engines overhaul specialist shop, and have a demonstrable experience of not less than 30 CFM56-7 overhauls (of WS similar to the subject one) completed over last 3 years.

4.2. Engine certification upon Shop Visit completion shall be in accordance with EASA and FAA rules, if the Customer does not request other certification before engine induction.

4.3. Within 30 days upon engine release, the full and complete set of engine repair paperwork shall be delivered to the Customer, including original (DFP) paperwork for repair or inspection of all LRU&QEC. Electronic format documentation on CD/DVD or other media will be acceptable. A printed Shop Visit Minipack should be provided to the Customer within 10 days after engine release date.

4.4. All parts scrapped during Shop Visit should be stored at the Contractor's facility free of charge for not less than 12 months, or until additional notification by the Customer.

4.5. Engine storage at the Contractor's facility after Shop Visit shall be free of charge for up to and including 30 days after engine release date.

5. Engine technical records access

5.1. All technical records for the engine are available via link (Google Chrome is recommended):

https://www.dropbox.com/sh/gzxyuu6fy0pi6vg/AACa97XIlv1YjBNIVyM0mBv_a?dl=0

Annex 1

Shop Visit Workscope for a CFM56-7B26 engine ESN 888869

1. Disassemble/Assemble the engine to Major Modules:

➤ Fan Major Module

- **Shop Module 21X (Fan and Booster) – Minimum Workscope Level.**
Fan Disk Life Extension (per CFM56-7 SB 72-0777). Fan Blades should be removed, cleaned and inspected per piece part level. Visually Inspect Fan Case and Fan Frame, VBV system, AGB links and AGB mounts dampers.
- **Shop Module 22X (1&2 Bearing Support) – Minimum Workscope Level.**
Do not remove module. Visual Inspection of exposed areas.
- **Shop Module 23X (Fan Frame) – Minimum Workscope Level.**
Visual inspect exposed areas. Repair if necessary.

➤ Core Major Module

- **Shop Module 31X (HPC Rotor) - Performance Workscope Level.**
Inspect exposed areas. Repair as necessary. Route HPC blades for overhaul. HPC blades exchange with new or overhauled parts is permitted in order to keep required TAT. In case of scrap all (100%) scrapped blades should be replaced. For requirements please refer to Para 3.3.2
Measure HPC Stage 1-2 and Stage 4-9 Spool Seal and CDP seal teeth diameters for serviceability
- **Shop Module 32X- 33X (HPC Stator) – Performance Workscope Level.**
Inspect exposed areas. Repair as necessary. Replace all VSV inner and Outer Bushings as well as the outer washers to prevent stator to rotor contact. Replace all composite Outer Washers from IGV to VSV Stg 3 by new parts. Replace all HPC Interstage Honeycomb Seals with new or refurbished hardware. Exchange with new or overhauled parts is permitted in order to keep required TAT. In case of scrap all (100%) scrapped vanes should be replaced. For requirements please refer to Para 3.3.2
- **Shop Modules 41X (Combustor Case) - Performance Workscope Level.**
Fuel nozzles overhaul. Replace honeycomb with a new or refurbished Seal. For requirements please refer to Para 3.3.2. Visually inspect inside Fuel Manifolds for presence of coke (carbon).
- **Shop Module 42X – Full Workscope Level.**
Overhaul of combustor, replace TBC. During OH use thick TBC coating. Inspect liners and dome for cracks, burn through and missing material. Repair if necessary. Apply SB 72-694 if not PCW. Exchange with new or overhauled parts is permitted in order to keep required TAT. For requirements please refer to Para 3.3.2
- **Shop Module 51X (HPT Nozzle) - Performance Workscope Level.**
HPT Nozzle Module should be removed from the engine and disassembled to piece part for this level of workscope. HPT Nozzles

should be send to vendor for OH. Exchange with new or overhauled parts is permitted in order to keep required TAT. In case of scrap all (100%) scrapped vanes should be replaced. For requirements please refer to Para 3.3.2 Replace the HPT Outer Stationary Honeycomb Seal (3T Seal) with a new or refurbished seal.

- **Shop Module 52X (HPT Rotor) – Performance Workscope Level.**

Do not disassemble module at piece part. Visually inspect exposed areas. HPT Blades should be send to vendor for OH. Exchange with new or overhauled HPT Blades is permitted in order to keep required TAT. In case of scrap – all (100%) scrapped blades should be replaced. For requirements please refer to Para 3.3.2

- **Shop Module 53X (LPT stg 1 Nozzles & HPT Stator) – Performance Workscope Level.**

HPT Shrouds should be send to vendor for OH. LPT Stg 1 nozzles should be inspected at piece part level. Restore J05 Clearance. Exchange with new or overhauled parts is permitted in order to keep required TAT. In case of scrap – all (100%) scrapped blades and vanes should be replaced. For requirements please refer to Para 3.3.2

- LPT Major Module

- **Shop Module 54X (LPT Rotor/Stator) – Full Workscope Level.**

Replace LPT stg 1,2,3,4 Disks with 8000 RC parts. Exchange with new or overhauled parts is permitted in order to keep required TAT. In case of scrap – all (100%) scrapped blades and vanes should be replaced. For requirements please refer to Para 3.3.2

- **Shop Module 55X (LPT Shaft) – Full Workscope Level.**

Replace LPT shaft, Conical Support with 8000 RC parts. Inspect #4 & #5 bearings, repair if necessary. Exchange with new or overhauled parts is permitted in order to keep required TAT. For requirements please refer to Para 3.3.2

- **Shop Module 56X (LPT Frame) – Minimum Workscope Level.**

Do not remove module from major LPT module. Inspect exposed areas. Comply with AD 2008-03-09 (SB 72-0579).

- IGB

- **Shop Module 61X (Inlet Gearbox) – Minimum Workscope Level.**

Visually inspect exposed areas. Do not remove module.

- TGB

- **Shop Module 62X (Transfer Gearbox) – Minimum Workscope Level.**

Do not remove module. Inspect exposed areas.

- AGB

- **Shop Module 63X (Accessories Gearbox) - Minimum Workscope Level.**

Comply with EASA AD 2012-0209 (SB 72-0564), SB 72-0689.

2. Replace following LLP's: LPT stg 1 Disk p/n 336-001-804-0, LPT stg 2 Disk p/n 336-001-909-0, LPT stg 3 Disk p/n 336-002-006-0, LPT stg 4 Disk p/n 336-002-105-0, LPT Conical Support p/n 338-077-502-0, LPT Shaft p/n 340-074-722-0 with minimum Cycles Remaining 8000 at 7B26 Thust Rating.

3. Comply with AD 2002-13-03 (EASA 2002-0390-IMP), AD 2011-18-10, AD 2013-26-01 (EASA AD 2010-0209), AD 2008-03-09.

4. Comply with CFM56-7B SBs 72-0564, 72-0689, 72-0581, 72-0665, 72-0673, 72-0324, 72-0777, 72-0811, 72-0874, 72-0904, 72-0971, 72-0579, 73-0132, 73-0138 (including HMU and Fuel Nozzles Overhaul), 73-0192 and check SB updates.

Annex 2

Accessories LRU&QEC Workscope for a CFM56-7B26 engine ESN 888869

#	Description	Workscope
1	IDG	Visual Check
2	IDG AIR/OIL COOLER	Overhaul per CMM
3	ELECTRICAL HARNESSSES	Test per CMM
4	EGT HARNESSSES	Overhaul per CMM
5	LEFT CORE FIRE DETECTOR	Test per CMM
6	RIGHT CORE FIRE DETECTOR	Test per CMM
7	UPPER FAN FIRE DETECTOR	Test per CMM
8	LOWER FAN FIRE DETECTOR	Test per CMM
9	HYDRAULIC PUMP	Visual Check
10	CTAI VALVE	Visual Check
11	OIL TEMP TRANSMITTER	Visual Check
12	FUEL FLOW TRANSMITTER	Overhaul per CMM
13	FUEL NOZZLE FILTER	Overhaul per CMM
14	FUEL NOZZLES	Overhaul per CMM
15	FUEL MANIFOLD	Clean
16	STARTER VALVE	Test per CMM
17	N2 SPEED SENSOR	Test per CMM
18	EEC ALTERNATOR STATOR	Visual Check
19	EEC ALTERNATOR ROTOR	Visual Check
20	AIR STARTER	Test per CMM
21	SERVO FUEL HEATER	Overhaul per CMM
22	OIL/FUEL HEAT EXCHANGER	Overhaul per CMM
23	MAIN FUEL PUMP	Overhaul per CMM
24	HMU	Overhaul per CMM
25	FUEL DIFFERENTIAL PRESSURE SWITCH	NEW
26	OIL CLOGGING INDICATOR	NEW
27	OIL SCAVENGE FILTER	Visual Check
28	IDG FUEL/OIL COOLER	Overhaul per CMM
29	LUBRICATION UNIT	Overhaul per CMM
30	STATIC ANTI-LEAK	Visual Check
31	LOWER IGNITION EXCITER	Test per CMM
32	UPPER IGNITION EXCITER	Test per CMM
33	IGNITION LEAD	Overhaul per CMM
34	IGNITION LEAD	Overhaul per CMM
35	N1 SPEED SENSOR	Test per CMM
36	OIL TANK	Visual Check
37	OIL QUANTITY TRANSMITTER	Visual Check
38	SENSOR OIL PRESSURE	Test per CMM
39	T12	Visual Check
40	ELECTRONIC CONTROL UNIT	Visual Check
41	IDENTIFICATION PLUG	Visual Check
42	TAI PRESSURE SWITCH	Visual Check
43	PRECOOLER CONTROL VALVE	Visual Check
44	T3 SENSOR	Visual Check
45	VSV ACTUATOR L/H	Overhaul per CMM
46	VSV ACTUATOR R/H	Overhaul per CMM

#	Description	Workscope
47	HPTCC VALVE	Overhaul per CMM
48	LPTCC VALVE	Test per CMM
49	TRANSIENT BLEED VALVE	Overhaul per CMM
50	HIGH STAGE VALVE	Visual Check
51	BLEED AIR CHECK VALVE	Visual Check
52	PRESS REG & SHUTOFF VALVE	Visual Check
53	HIGH STAGE REGULATOR	Visual Check
54	BLEED AIR REGULATOR	Visual Check
55	TAI WING SOLENOID VALVE	Visual Check
56	VBV ACTUATOR L/H	Test per CMM
57	VBV ACTUATOR R/H	Test per CMM
58	VBV DOORS	Test per CMM
59	N1 VIB SENSOR	Test per CMM
60	VIBRATION SENSOR (FFCCV)	Test per CMM
61	T5 TEMP SENSOR	Visual Check
62	EXHAUST PLUG	Visual Check
63	EXHAUST SLEEVE	Visual Check
64	FORWARD MOUNT	Visual Check
65	REAR MOUNT	Visual Check

Appendix 4
to the Procurement Documentation

Draft Contract

THIS AGREEMENT, with Contract No _____, is made on the ____ day of _____ 2016 between Rossiya Airlines JSC, a company incorporated under the laws of Russia Federations, and having its principal office at 18/4 Pilotov St., St Peterburg 196210, Russia (hereinafter called the "Customer") of the first part and _____, a company incorporated in _____ and having its registered office at _____ (hereinafter called the "Contractor") of the other part.

RECITALS

1. WHEREAS the Contractor, an aerospace engine maintenance, repair and overhaul ("MRO") company wishes to provide MRO services for CFMI CFM56-7B series engines.
2. WHEREAS the Customer currently operates a fleet CFM56-7B series engine, and requires the Contractor to provide MRO services to its fleet of CFM56-7B series engine
3. WHEREAS the Customer and Contractor agree the Contractor's appointment under this Agreement is non exclusive.
4. WHEREAS the Contractor is willing to provide such MRO services on the terms and conditions set out below:

1. DEFINITIONS

- (a) For the purpose of this Agreement, the following definitions shall apply (unless the context requires otherwise):

Agreement	means this Agreement and all appendixes, amendments and variations as agreed from time to time by the parties hereto in accordance with Clause 21 of this Agreement.
Business Day	means a day, other than a Saturday, a Sunday or a public holiday, on which the Contractor are open for operations, for the transaction of business of the nature required by this Agreement.
Customer	means JSC Rossiya Airlines
Contractor	means _____

Customer Supplied Material	means any material, including Engine spares, Engine life limited parts and/or components, supplied by the Customer to the Contractor in serviceable condition with relevant serviceable label and back to birth record, where applicable, for the performance of the required Services by the Contractor
Engines	means the CFM56-7B series engine
Line Item	Per group of parts of like nomenclature
Effective Date	means the date this Agreement
EFH	means Engine Flying Hour, which is the time flown by an Engine computed from take-off to landing of the aircraft in the technical flight report
EGT	means Engine exhaust gas temperature
FAA	means the Federal Aviation Administration of the United States of America
EASA	Means European Aviation Safety Agency
Facility	means the Contractor's facility at _____
MRO	means maintenance, repair and overhaul of the Engines in accordance with the OEM manuals, Customer's workscope and FAA & EASA requirements
OEM	means CFMI International, the original equipment manufacturer of the Engines
Preliminary Cost	means the preliminary cost estimate provided by the Contractor to the Customer for the Services to be performed after the disassembly and inspection of the Engine
Services	means the MRO services rendered by the Contractor for the maintenance of Engines
Turnaround Time	means the lead time for the Services to be completed and shall be computed starting from the day after the receipt of the Engine at its designated Facility with all required documents as set out in Clause 4(b) and ending on the day when the passed its acceptance test after the required Services are performed.

Words importing a singular meaning shall include the plural and vice versa.

- (b) Any reference in this Agreement to "Writing", or cognate expressions, includes a reference to any communication effected by an official telex, cable, facsimile transmission or any comparable means.
- (c) The United Nations Convention on Contracts for the International Sales of Goods (Vienna, 1980) shall not apply to this Agreement, and all provisions

thereat, express, implied or otherwise, which may or will have any effect on any of the terms and conditions herein are hereby expressly excluded.

2. OBLIGATIONS OF THE CONTRACTOR

- (a) The Contractor shall provide the required Services to the Customer as set forth in Appendix A of this Agreement

3. OBLIGATIONS OF THE CUSTOMER

- (a) The Customer hereby appoints the Contractor to be its non-exclusive contractor to perform the Services, and the Contractor accepts such appointment on the terms and conditions set out in this Agreement for all the Engines leased, owned, managed or operated by the Customer during the period of the Agreement.

4. PRICING OF SERVICES

- (a) The Contractor shall charge and the Customer shall pay for the Services on the Engines. Such charges shall be in accordance with the pricing structure as set out in Appendix A.
- (b) The Customer shall deliver the Engine(s) for which the Customer requires the Contractor to perform the Services to the Facility in accordance with terms and conditions as stated in Appendix A and the following documents shall be delivered with the Engine in order for the Contractor to commence the performance of the Services required upon the receipt of the Engine at the designated Facility:
 - (i) A Repair Order for the Services required for the Engine stating the workscope to be performed; and
 - (ii) Current and updated Engine documentation, which shall include the Engine logbook, modification compliance records and records of the life limited parts and engine accessory components installed and report/record of any reported defect.
- (c) Upon completion of Engine disassembly and inspection based on the workscope to be performed, the Contractor shall provide the Customer a Preliminary Cost and recommend, if any, additional workscope to be carried out in order for the Engine to meet Customer's, OEM's and applicable airworthiness authority requirements.
- (d) Within 5 calendar days from the receipt of the Preliminary Cost and additional workscope recommendation (if any), the Customer shall advise its approval or rejection as the case may be to proceed with the Services required.
- (e) In the event if the Customer has any intention to provide any Customer Supplied Material for the Services required, the Customer shall do so by advising its intention in writing identifying the parts and/or components it intend to provide during its approval to proceed as stated above.

- (f) The Customer shall at its own risks and cost provide all Customer Supplied Material to the Contractor at the designated Facility and the Contractor may impose a handling fee on the Customer Supplied Material.
- (g) In the event if the Customer does not advise its approval to proceed without any due cause within 15 calendars from the receipt of the Preliminary Cost, the Contractor may at its sole discretion remove the Engine from its production plan and upon the receipt of the Customer's approval to proceed uses its reasonable endeavour to reschedule the Engine back to its production plan as soon as possible and revise its turnaround time and estimated engine redelivery date accordingly.
- (h) Should the Customer decide not to proceed with the Services required or fail to respond to the Preliminary Cost within 30 calendar days from the receipt of the Preliminary Cost without any due cause, the Contractor shall suspend or terminate all work in progress services and invoice the Customer on all costs incurred, including but not limited to labour, material, subcontract repairs and freight and insurances charges.
- (i) Any cost incurred for the reassembly and redelivery of the uncompleted Engine, including the return of any parts and/or components removed from the Engine, in their as is where is condition, shall be charged to and paid for by the Customer.
- (f) In any event if the Customer terminates or cancels the Agreement and/or any work in progress repair order, the Customer shall indemnify the Contractor in full against all cost, losses and damages, including, without limitation, cost of all labor and materials used or purchased and all charges and expenses reasonably incurred by the Contractor as a result of such cancellations.

5. TURNAROUND TIME

- (a) Subject to the provisions of Clauses 4, 11 and 12 hereof, the Contractor shall endeavour to complete the required Services with a Turnaround Time of ___ calendar days or ___ calendar days from the receipt of Customer's approval to proceed on its Preliminary Cost or ___ calendar days from the receipt of last Customer Supplied Material in serviceable condition with all applicable documentation, whichever later.
- (b) The Turnaround Time stipulated in Clause 5(a) shall not apply and the Contractor shall be granted excusable delay in the event that the Contractor is not able to obtain the required materials and services from the OEM or other sole source suppliers to perform the Services required. In such event the Contractor shall upon receipt of such parts, uses its reasonable endeavors to complete the Services as soon as possible.

6. MISSING AND DAMAGED PARTS

- (a) The Contractor shall have the right to charge the Customer over and above charges, for parts, labor and services supplied for :
 - (i) replacement and/or repairs due to foreign object damage ("FOD"), internal object damage ("IOD") or transit damage during the transportation of the Engine not caused by the Contractor;

- (ii) replacement and/or repairs due to engine operation beyond manual procedures or limits;
- (iii) replacement of parts or accessories not received with Engines;
- (iv) replacement of any life limited parts or parts affected by applicable AD/SB not included in the intended workscope package price; and
- (v) replacement and/or repairs of parts that could not be reinstalled due to prior repairs, modifications or wrong part installation, such as PMA materials, DER/CDR repairs or wrong part number configuration, not in accordance with Customer's, manual's or airworthiness requirements.

(b) The Contractor's charges under this Clause 6 shall be in accordance with the terms and conditions as set out in Appendix A of this Agreement

7. DELIVERY OF ENGINE

- (a) Customer and Contractor shall perform its roles and responsibility for the delivery and redelivery of the Engine in accordance with the terms and conditions as set out in Appendix A of this Agreement.
- (b) Transportation of the Engine shall be carried out in accordance with Article ___ of Appendix A.
- (c) In any case, Customer shall be responsible for obtaining all necessary permits, approvals, and licenses, perform all required custom formalities and comply with all required legislation or regulations relating to the transportation, export and import of the Engine, except to the extent that the Contractor is responsible for obtaining all necessary permits, approvals, and licenses for the import and export of the Engine to and from the Contractor's designated Facility.
- (d) The Customer shall indemnify the Contractor for any fines, penalties or assessments as a result of the Customer's failure or negligence to comply with any of the requirements set out in this Clause 7.
- (e) Subject to any provision to the contrary in the contract "INCOTERMS" 2010 (publication No 715 of the International Chamber of Commerce) shall be deemed to be incorporated into and form an integral part of the Agreement.

8. TERMS OF PAYMENT

- (a) The Customer shall pay the Contractor for the Services provided as follow:
 - (i) Downpayment of not more than 20% of the Fixed Price may be payable before engine induction.
 - (ii) Balance of the Fixed Price shall be payable upon completion of works and before engine redelivery.
 - (iii) Balance of total repair cost shall be payable within 30 calendar days from a date of receipt of Contractor's final invoice by the Customer.
- (b) All invoices shall be made in United State Dollars and addressed to:

Rossiya Airlines JSC

15A Leninskiy pr., Moscow,

119071 Russian Federation

Attention : **Veronika Agafonova**

Title : **Head of finance department for continuing airworthiness**

Email: amd9@rossiya-airlines.com

Tel : +7 812 6 333 999 ext. 7144; or such other contacts Parties may agree.

- (c) If any sum payable under this Agreement is not paid by the due date then (without prejudice to the Contractor's other rights and remedies at law or otherwise) the Contractor reserves the right to charge interest on such sum on a day-to-day basis (as well after as before any arbitral award or judgment) from the due date to the date of actual payment (both dates inclusive) at the rate of one per cent (1%) per month or part thereof.
- (d) All payments shall be made to the Contractor by telegraphic transfer to the following address:

- (e) Time shall be of the essence for payment of the Services performed.

 If the Customer shall fail to make any payment on the due date, then without prejudice to any right or remedy available to the Contractor, the Contractor shall be entitled to:
 - (i) terminate this Agreement forthwith or suspend any performance of the Services;
 - (ii) allocate any payment made by the Customer to such of the Services as the Contractor thinks fit.
- (f) In addition to any right of lien to which the Contractor may by law or in equity be entitled, the Contractor shall be entitled to a general and particular lien over all property owned, by the Customer (including the Aircraft and its respective log book and the engine units to be serviced by the Contractor) which may from time to time be in the possession of the Contractor for all amounts due and owing by the Customer to the Contractor, under this Agreement, at any case over equipment of value not higher than such amounts due and owing by the Customer to the Contractor. The Contractor shall also have a right of resale of all such property as satisfaction for payment. The Customer hereby appoints the Contractor to be its true and lawful attorney with full power and authority on the Customer's behalf to sell and dispose of the property subject to such lien on reasonable terms and conditions. During the currency of the lien, the Customer shall pay any reasonable charges and expenses, in relation thereto, including storage and insurance charges in respect of the property held by the Contractor pursuant to this clause and the above lien shall also apply to any such unpaid charges and expenses.

- (i) If the Customer disputes any part of an invoice, then the Customer shall advise the Contractor of any dispute on the invoiced amount within ten (10) calendar days upon receipt of the invoice.
- (ii) Customer shall not use the invoices provided by the Contractor under this agreement for any CML claims with the OEM.

Bank details of the Customer (for reference):
 SBERBANK (SEVERO-ZAPADNY HEAD OFFICE) - ST.PETERSBURG,
 RUSSIA

SWIFT: SABRRU2P

Acc. № 40702840455000000096

Correspondent Bank: The Bank of New York Mellon, New York, NY

SWIFT: IRVTUS3N

9. WARRANTY BY CONTRACTOR

- (a) The Contractor warrants its Services to be free from defective workmanship. This warranty is restricted to the actual overhaul and repair work performed by the Contractor and relates only to that specific work performed by the Contractor. This warranty does not extend to any claim, failure or damage attributable to:

- (i) inherent defect, rust, corrosion or the entry of foreign materials, lightning strikes;
- (ii) failure to operate and/or maintain, preserve, or care for the unit in accordance with the manufacturer's specifications or aviation authorities requirements;
- (iii) any unit upon which no work was performed by the Contractor;
- (iv) any repair or alteration by parties other than the Contractor.

- (b) The obligation and responsibility of the Contractor under this warranty is expressly limited to assuming the cost of the labor and material required to replace or repair at the Contractor's facility the damage sustained by the Engine or unit thereof and caused by the defective workmanship of the Contractor, provided that the Customer has advised the Contractor in writing of any claim of faulty workmanship within fifteen (15) calendar days from the date of discovery of the claimed faulty workmanship, and provided further that the Engine or unit thereof shall have been returned to the Contractor within thirty (30) calendar days after the discovery of the claimed faulty workmanship, and provided further that the defect shall have been discovered within:

- (i) _____ EFH or
- (ii) ___ months after engine ready for re-delivery;

Whichever of (i) and (ii), immediately above shall first occur for claim in lieu of faulty workmanship

- (iii) _____ EFH on new engine parts or _____ EFH on overhaul conditioned engine parts; or
- (iv) ___ months after engine ready for re-delivery

Whichever of (iii) and (iv), immediately above shall first occur for claim in lieu of defective parts supplied, repair / overhauled by the Contractor, by its vendors and installed on/in the engine.

- (c) The Contractor shall assign to the Customer any and all assignable warranties received by the Contractor from its suppliers and manufacturers for all parts it supplied hereunder. If Contractor uses a part that does not have assignable warranty, then such part shall be subject to the warranty in Clause 9(a) and (b) above.
- (d) Notwithstanding anything else contained in this Agreement, the Contractor's obligation and responsibility under this warranty is expressly limited to an amount not exceeding the cost of repair or replacement at the fair market value of a similar unit (as defined based on the assumption that there were no discrepancies or deficiencies in the work performed on the unit and the same remaining time on life limited parts) at the time the unit was redelivered by the Contractor prior to the warranty claim, whichever lesser.
- (e) If the Customer makes a claim of defective workmanship in accordance with this warranty, and the unit is delivered to the Contractor for determination of the validity of the warranty claim, the Contractor will promptly make such teardown or disassembly of the unit as required to investigate the claimed defective work (said teardown to be made in the presence of the representative of the Customer, if so desired) after which a written teardown report will be submitted to the Customer.
- (f) In the event the Contractor and Customer mutually agree that the teardown report shows no defective work by the Contractor on the unit, the Customer making the claim of purported faulty workmanship will be required to pay all costs of the teardown and the preparation of the teardown report, said costs to be based on the man-hours expended in the disassembly, clean-up and inspection, multiplied by the Contractor's or its subcontractor's prevailing hourly rate.
- (g) The Customer making a claim against the Contractor for defective workmanship under this warranty will be required to ship the unit involved to the Contractor's premises, freight prepaid, and the unit shall be shipped freight collect to the Customer at the completion of any work accomplished under this warranty. In the event that the Contractor is found liable for the defective workmanship, freight charges incurred by Customer for shipment of engine under this warranty shall be borne by the Contractor.
- (h) The term "unit" used herein refers to an individual accessory or to a complete assembly or subassembly of the Engine. If the Contractor shall be obligated to rework or repair any such unit in whole or in part under the terms of this warranty, such obligation shall not extend to or in any affect the warranty applicable to any related unit.
- (i) The express warranties herein are in lieu of, and the Contractor hereby disclaims, all other warranties, whether implied or statutory, including without limitation any conditions/warranties of merchantability, fitness for purpose or satisfactory quality.

- (j) At the commencement of the Agreement, the Customer shall assign to the Contractor any maintenance warranty for Engines or Engine LRUs previously repaired by the OEM , or its approved subcontractors, and Contractor shall perform and assist the Customer to pursue any maintenance warranty that may exist in respect of such Engines and Engine LRUs

10. WARRANTY BY CUSTOMER

- (a) The Customer has all necessary power and authority to enter into and perform its obligations under this Agreement and to deliver any Engines for the Services to be performed by the Contractor; that the Customer has obtained all necessary consents, approvals and authorization for the Services to be done by the Contractor, in accordance with the terms and conditions set out herein, from lenders, lien holders, owners, lessors or any other third parties; and that the execution, delivery and performance of this Agreement by the Customer does not violate any agreement, restriction, limitation, covenant or contract term, laws, rules or regulations applicable to the Customer or the Engines. The Customer shall indemnify and hold the Contractor, its employees, agents and sub-contractors harmless from and against any and all claims, demands, proceedings, damages, costs, expenses whatsoever which may at any time be made by any person arising out of or in any way connected or related to the Customer's breach of this warranty.

11. FORCE MAJEURE

- (a) The Parties shall not be liable for any failure or delay to comply with its obligations under this Agreement where such failure or delay is caused by industry or region wide difficulties in procuring/producing materials (if ordered in timely manner), significant global or regional hindrance in transportation, natural hazard and/or disaster or force majeure or by any riot, civil commotion, lockout, acts or omissions of any Government, trade restriction and embargo or by any fire, flood, earthquake, typhoon, war, acts of foreign enemies or perils of the sea or other perils, acts of war, terrorist acts, infectious diseases or quarantine restrictions or any other circumstances, at any case unless caused by culpable act or omission of respective Party beyond the control of the Parties.
- (b) In any of the events mentioned in this Clause 11, the Party affected by a force majeure event shall for the duration of such event be relieved of any obligation under this Agreement as is affected by such event. The time for performance will be extended by a period of business days equal to the time lost by reason of such delay, provided that Party affected by a force majeure event shall promptly notify of any Excusable Delay affecting Party affected by a force majeure event performance.
- (c) If any of the events mentioned in this Clause 11 continue for a period exceeding ninety (90) consecutive calendar days, Parties may, at any time thereafter, elect to terminate this Agreement. All rights and liabilities arising from such termination shall if unresolved, be referred to arbitration.

12. DELAYS BY THE PARTIES

- (a) If, after receipt of the Customer's Engine at the Contractor's designated Facility or elsewhere, the Engine is held beyond fifteen (15) calendar days pending:

- (i) receipt of any Customer's instructions; or
- (ii) the Customer's approval of cost estimate, including Preliminary Cost; or
- (iii) receipt by the Contractor of the Customer supplied parts or accessories (if applicable); or
- (v) receipt by the Contractor of all necessary logbooks, documentation, whether technical or otherwise.

then the Contractor reserves the right to remove the Engine from its work-in-progress line. Any delays due to the Customer shall be deemed as excusable delays to be netted off from the Turnaround Time as stated in Clause 5 and all costs incurred, including storage cost, as a result of this Clause 12 shall be borne by the Customer.

- (b) If the Engine is returned by the Contractor to the Customer after the agreed Turnaround Time as specified in Clause 5, to the extent such delay is due to the Contractor's negligence and the Contractor shall pay to the Customer a penalty for late redelivery in the form of credit to be offset against the invoice value for the Services provided to the Engine at _____ US dollars per day, limited to ___% of the invoice value of the Engine.

13. COMPLIANCE WITH LAWS

- (a) The Customer undertakes that it shall be responsible for compliance with all applicable import and export customs regulations and formalities, including payment of fees, sales, use or consumption taxes, levies, duties and taxes incurred and/or payable by the Customer.
- (b) The Contractor undertakes that it shall be responsible for compliance with all applicable import and export customs regulations and formalities, including payment of fees, sales, use or consumption taxes, levies, duties and taxes incurred and/or payable according to and/or under the laws of _____ (or such other state where Services hereunder are provided).

14. TAXES

- (a) The pricing for the Services to be rendered shall be exclusive of any sale tax, withholding tax or similar tariff, import duty, fees or assessments (including the amount of interest and penalties in connection therewith) or governmental charge imposed by the government or any duly authorized organization, except taxes imposed by the government and/or authorities _____ (or such other state where Services hereunder are provided).
- (b) , (collectively known as "Tax Liabilities"). In the event such Tax Liabilities are levied upon or chargeable with respect to the provision of the Services, the Customer shall be responsible for the payment of or reimbursement to the Contractor for the payment of such Tax Liabilities.

- (c) The Customer hereby indemnifies the Contractor against such Tax Liabilities arising out or in connection with this Agreement.

15. DURATION AND TERMINATION

- (a) This Agreement shall come into force on Effective Date of this Agreement and, subject as provided in this Clause 15, shall continue in force through _____.
- (b) Notwithstanding the foregoing, either party shall be entitled forthwith to terminate this Agreement with due cause by providing a thirty (30) days written notice to the other party if:
 - (i) the other party commits any material breach of any of the provisions of this Agreement and, in the case of such a breach which is capable of remedy, fails to remedy the same within thirty (30) calendar days after receipt of a written notice giving full particulars of the breach and requiring it to be remedied. A non-payment by the Customer shall be considered a material breach;
 - (ii) an encumbrancer takes possession or a receiver is appointed over any of the property or assets of the other party;
 - (iii) the other party makes any voluntary arrangement with its creditors or becomes subject to an administration order;
 - (iv) the other party goes into liquidation except for the purposes of amalgamation or reconstruction and in such manner that the company resulting therefrom effectively agrees to be bound by or assume the obligations imposed on that company under this Agreement;
 - (v) anything analogous to any of the foregoing under the laws of any jurisdiction occurs in relation to the other party; or
 - (vi) the other party ceases, or threatens to cease, to carry on business.
- (c) For the purposes of Clause 15(b)(i), a breach shall be considered capable of remedy if the party in breach can comply with the provision in question in all respects other than as to the time of performance provided that time of performance is not of the essence.
- (d) Any waiver by either party of a breach of any provision of this Agreement shall not be considered as a waiver of any subsequent breach of the same or any other provision.
- (e) The rights to terminate this Agreement given by this Clause 15 shall not prejudice any other right or remedy of either party in respect of the breach concerned or any other breach.
- (f) Upon the termination of this Agreement for any reason, subject as otherwise provided in this Agreement and to any rights or obligations which have accrued prior to termination, neither party shall have any further obligation to the other under this Agreement.

- (g) In addition to Clause 15(f), the Contractor shall be entitled to be paid for all Services-in-progress and sub-contractors' commitments as at and including the date of termination of this Agreement.
- (h) Any termination under this Clause 15 shall discharge the parties from any liability for further performance of the Agreement except for work-in-progress at the date of effective termination of this Agreement which, at the choice of the Contractor, may be completed by the Contractor and paid for by the Customer.

16. REMEDIES

- (a) In the event of termination of this Agreement under Clause 15, the party that has given valid notice to terminate this Agreement may, in its sole and absolute discretion exercise any right, power, privilege or remedy provided by applicable law of this Agreement.
- (b) No remedy referred to in this Clause 16 herein or in any other clauses of this Agreement is intended to be exclusive, but each shall be cumulative and in addition to any other legal remedy referred to above or otherwise available to either party.

17. LIABILITY AND INDEMNITY

- (a) The Customer agrees to indemnify the Contractor and its employees against third party claims for injury, death or property damage arising out of or in connection with the Services to be provided by the Contractor under this Agreement, except to the extent caused by the gross negligence or willful misconduct of the Customer or its employees.
- (b) The Contractor agrees to indemnify the Customer against third party claims for injury, death or property damage arising out of or in connection with the Services to be provided by the Contractor under this Agreement, to the extent caused by the gross negligence or willful misconduct of the Contractor or its employees.
- (c) Subject to Clause 17(e) below, the Contractor shall be responsible for the repair cost or the cost of the replacement item, with respect to the engine unit provided to the Contractor for servicing, to the extent the unit suffers property damage that was caused by the negligence or wilful misconduct of the Contractor.
- (d) Notwithstanding any other provision in this Agreement, and regardless of whether the claim is in contract, tort or other form of action, including without limitation negligence of Parties or their employees or subcontractors, in no event whatsoever shall the Parties be liable under this Agreement for any (a) loss of use, revenue or profit, or loss of goodwill or business opportunity; or (b) indirect, incidental or consequential losses or damages, in any way arising out of or in connection with this Agreement or the Services to be provided under this Agreement.
- (e) Notwithstanding any other provision in this Agreement, and regardless of whether the claim is in contract, tort or other form of action, including without limitation negligence of Contractor or its employees or subcontractors, in no event shall the Contractor's total and cumulative liability under this Agreement exceed:

(i) the aggregate of all sums received by the Contractor from the Customer for the Services provided to the affected Engine; or

(ii) United States dollars _____

whichever of (i) or (ii) is the lower.

18. CHOICE OF LAW AND ARBITRATION

- (a) This Agreement shall be governed by and construed in accordance with the laws of England.
- (b) Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be settled through friendly consultations between the parties. In case a dispute cannot be settled amicably within 14 days after written notice by a party requesting amicable settlement, the dispute shall be referred to and finally resolved by arbitration in London, England in accordance with the Arbitration Rules of the International Chamber of Commerce. The language of the arbitration shall be English.

19. NOTICES

- (a) Any notice to be served on either of the parties by the other shall be in English and in writing and shall be sent by prepaid recorded delivery or registered post and shall be deemed to have been received by the addressee within seven (7) days of posting.
- (b) Any notice or other communication shall be deemed properly sent if it is sent by hand, express courier or under registered mail cover to:

i) if to Contractor; _____ _____ _____ _____	ii) if to Customer; Rossiya Airlines JSC 18/4 Pilotov Street St Peterburg, St Peterburg City 196210, Russia Federation
Attention : _____	Attention: Technical director
- (c) The Parties shall inform one the other about any changes in bank details, headquarters and other tidings they deem to be important by means of an official letter. No amendment hereof shall be needed for such cases.

20. HEADINGS

- (a) Headings contained in this Agreement are for reference purposes only and not to be incorporated into this Agreement and shall not be deemed to be any indication of the meaning of the Clauses to which they relate.

21. VARIATION OF AGREEMENT

- (a) No variation of the terms of this Agreement shall apply unless such variation shall have first been expressly accepted in writing by the

Contractor and the Customer respectively (without prejudice to the set forth in 19(c)).

- (b) In the event of conflict between Purchase/Repair Order and this Agreement, the terms and conditions of this Agreement shall prevail.
- (c) This Agreement may not be assigned, in whole or in part, by either Party without the previous written consent of the other party.

22. SEVERABILITY

- (a) If any provision of this Agreement is declared invalid by any tribunal or competent authority, then such provision shall be deemed automatically adjusted to conform to the requirements for validity as declared at such time and as so adjusted, shall be deemed a provision of this Agreement as though originally included. If the provision invalidated is of such a nature that it cannot be so adjusted, the provision shall be deemed deleted upon this Agreement as though the provision had never been included, in either case, the remaining provisions of this Agreement shall remain in full force and effect.

23. LANGUAGE OF THE AGREEMENT

- (a) The text of this Agreement herein written in the English Language is the authentic text and any difficulties and uncertainties in interpretation arising shall be solved by reference to this text and it shall prevail over any translation made hereof.
- (b) In case of any dispute arising out of the text of the Contract, the terms and condition contained in the stamped by Buyer's legal department's stamp and securely binded Contract counterpart shall prevail.

24. NO WAIVER OF RIGHTS

- (a) The failure of any party to enforce at any time any of the provisions hereof shall not be construed to be a waiver of such provisions or a waiver of the right of such party thereafter to enforce any such provisions. No waiver by a party of any right hereunder shall be deemed as a waiver of any other right.

25. ENTIRETY OF AGREEMENT

- (a) This Agreement including its Appendixes constitutes the sole and entire agreement between the parties relating to the subject matter hereof and supersedes all previous, present or future negotiation, representations and agreements whether written or oral.

26. SCRAPPED PARTS AND DISPOSAL

- (a) Scrapped parts shall mean those parts determined by the Contractor to be unserviceable and/or beyond economic repair for reliability, performance or economic reasons ("Scrapped Parts").
- (b) All Scrapped Parts shall become the property of the Contractor.

- (c) For Scrapped Parts with prevailing catalogue price greater than US\$5,000 per part, Customer may at own cost and risks, review these parts by informing the Contractor its intention to do so within__ days from Engine completion.

27. SUBCONTRACTING

- (a) Contractor may subcontract any services provided hereunder only to such third parties, which have a valid applicable approval for applicable aviation authority, and only after the Customer's written consent. Such consent will not be unreasonably withheld. At any case Contractor remains responsible for the quality of any services performed by such subcontractor hereunder, as if these have been provided by Contractor itself.

IN WITNESS WHEREOF the parties hereto have caused their duly authorized representatives to set their hands the day and year first above written.

Signatures of the Parties:

APPENDIX A

**Fixed Price for the performance of Shop Visit on a CFM56-7B26 engine
ESN 888896 is: _____ USD**

Fixed Price inclusions:

1. _____
2. _____
3. _____
4. _____
- ... _____
- N. _____

Fixed Price exclusions:

1. _____
2. _____
3. _____
4. _____
- ... _____
- N. _____

Signatures of the Parties:

APPENDIX B**Time & Material rates and fees for a CFM56-7B26 engine ESN 888869 :**

Man-Hour Rate(s): _____

Material Handling Charge(s),
with a cap of : _____

...

Subcontract Handling Charge,
with a cap of : _____***Signatures of the Parties:***

APPENDIX C

Workscope for a CFM56-7B26 engine ESN 888869

1. Workscope for engine modules:

Main module № _____

- Shop module № _____ – Workscope.
- Shop module № _____ – Workscope.
- ...

Main module № _____

- Shop module № _____ – Workscope.
 - Shop module № _____ – Workscope.
 - ...
- ...

Main module № _____

- Shop module № _____ – Workscope.
- Shop module № _____ – Workscope.
- ...

2. AD workscope: _____

3. SB workscope: _____

Accessories LRU&QEC Workscope for a CFM56-7B26 engine ESN 888869

№	Description	Workscope
1	LRU / QEC / Accessory	

№	Description	Workscope
2	LRU / QEC / Accessory	
...	...	
N	LRU / QEC / Accessory	

Signatures of the Parties:

OWNERS/BENEFICIARIES INFORMATION FORM

No	Name of the counterpart					Contract (Bank requisites, Subject Matter, Total Amount, Validity)					No	Owners/beneficiaries data (till the owners/beneficiaries of the last level)						
	taxpayer identification number	state registration number	name of the company	CEO name	CEO ID/ passport details	No. of Contract and entering into force	Subject Matter of Contract	Total Amount	Validity	Bank requisites and legal address		taxpayer identification number	state registration number (for organisation)	name of the owner/beneficiary	registration address	ID (passport details) for individuals	CEO/owner/ shareholder/ beneficiary	List of the documents confirming the info. about owners, shareholders and beneficiaries
1																		

Authorized representative of _____