

Approval date	22	08	2018
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Public request for proposals in an electronic form

Requests receiving place	Electronic Trading Platform Gazprombank Group: http://etpgpb.ru/			
Date and time for the requests receiving commencement	22	08	2018	18:00 MSK
Date and time for the request receiving completion	13	09	2018	10:00 MSK
Place and date for examination of procurement bidder proposals and summarizing of results	18/4 Pilotov ul., Saint Petersburg, , Russian Federation, 196210			
	19	09	2018	
Commencement date for providing clarifications on procurement documentation	22		08	2018
Completion date for providing clarifications on procurement documents	31		08	2018
Specifying the features of participation	Not applicable			
Option to submit an alternative offer	Not applicable			
Option to engage co-contractors/subcontractors	Not applicable			
Distribution of the total scope of procurement between the procurement parties	Not applicable			
Subject-matter of the procurement	Shop Visit for a CFM56-7B Engine ESN 894306			
Number of lots	1			

Lot № 1					
Name of the Subject-Matter of the Agreement (lot)		Shop Visit for a CFM56-7B Engine ESN 894306			
Initial (maximum) price of the agreement (lot)	Currency	Quantity (Scope)	Units of Measurement	Classification by OKVED2	Classification by OKPD2
2 200 000,00	USD	1	Ea.	33.16	30.30.60.110
Place of Delivery/Performance of Works/Provision of Services (address)			In the Territory of Foreign State		
Term and Payment Procedure for Goods (Work. Service)			A down payment of not more than 20% of the Shop Visit Not-to-Exceed Price (NTEP) may be payable before the Engine induction. The		

	<p>Contractor shall provide corresponding invoice at least 10 days prior to the Engine induction.</p> <p>The remaining portion of the NTEP may be payable upon completion of works and before redelivery of the Engine. The Contractor shall provide corresponding invoice at least 10 business days before the planned Engine redelivery date.</p> <p>Final invoice balanced vs. the NTEP shall be paid within 30 days from a date of invoice receipt by the Customer, or later if mutually agreed by both parties. The invoice for payment should be sent by the Contractor at amd9@rossiya-airlines.com without any undue delay.</p> <p>If the Contractor fails to provide any invoice in time, payment date may be rescheduled for such period. In such case the Contractor shall not postpone accomplishment of Services or withhold release of the Engine.</p>
Request Security (amount)	Not applicable
Right of the Procurement Bidder to submit a draft of counter-agreement	Applicable

Assessment and Comparing Criteria of Quotes

Lot №1	
Name of Criterion 1	Maximum Turnaround time
Points Calculation Procedure for Criterion 1	The number of points for the criterion = minimum repair Turnaround time (in calendar days) of all proposals received divided by the Turnaround time in the offer, for which points are calculated, multiplied by the maximum number of points for this criterion.
Maximum number of points for criterion 1	25
Name of Criterion 2	NTEP for performance of SV
Points Calculation Procedure for Criterion 2	The number of points for the criterion = minimum NTE price repair (in USD) of all proposals received divided by the NTEP (Not-to-exceed price) in the offer on which to calculate points, multiplied the maximum number of points for this criterion.
Maximum number of points for criterion 2	65
Name of Criterion 3	EGT Margin
Points Calculation Procedure for Criterion 3	The number of points for the criterion = EGT Margin (in °C) in the offer for which to calculate the points divided by the maximum EGT Margin of all proposals received, multiplied by the maximum number of points for this criterion.
Maximum number of points for criterion 3	10
Maximum number of points	100

For a comparative assessment of bidders of request for proposals to select a supplier will use the following methodology:

In case of receipt of application from the participant with the basis of delivery DAP, the contract price for evaluation purposes was adopted as given in the application;

In case of receipt of application from the participant with the basis of delivery FCA, the price of the contract for valuation purposes is calculated by the following formula:

$$N = P + T1 + T2 + T3 + T4 + D$$

where:

N – the price of the contract

P - the value proposition of the provider.

T1 - charges for customs clearance.

T2 - customs duties.

T3 - cost of services of the customs representative.

T4 - the cost of registration of Declaration of compliance (if required for customs clearance of goods).

D - the cost of transportation

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

1. General Terms of the Procurement Procedure

1.1. The Procurement is undertaken in accordance with the Federal Act dated 18 July 2011 No. 223-FZ "On Procurement of Goods, Works, Services by Certain Types of Legal Entities" and Regulation on Procurement of Goods, Works, and Services (P 20-33-17 Edition 3).

1.2. Priority provision to goods of Russian origin, works, services performed, provided by Russian persons is applied in accordance with the Regulation of the Government of the Russian Federation No. 925 dated 16.09.2016.

1.3. The procurement documentation is an invitation addressed to public at large to give proposals under the procurement procedure.

The procedure for the public request of quotations (hereinafter the request for quotations), public request for proposals (hereinafter the request for proposals) is neither competition, nor auction for the right to be awarded a contract, or governed by Articles 447 - 449 Part One of the Civil Code of the Russian Federation. This procedure is also not a public competition nor governed by Articles 1057-1061 of Part Two of the Civil Code of the Russian Federation. Thus, the terms of the request for quotations, request for proposals does not entail for the Customer the relevant scope of civil legal obligations pertaining to mandatory conclusion of an agreement with the winner or other bidder.

1.4. The Customer may refuse from holding the request for quotations, request for proposals without being liable to the procurement bidders, including compensation for any expenses related to issuance and submission of the request for quotations, request for proposals. If it is taken a decision to refuse holding the request for quotations, request for proposals the Customer shall post within a business day following the day of taking such decision, information on the refusal to hold a request for quotations, request for quotations in the unified information system.

1.5. The Customer shall not be under obligations or be liable if the bidders; procurement parties fail to familiarize themselves with a notice on refusal to hold a request for quotations, request for proposals.

1.6. At any time before the deadline for submission of request for participation in the request for quotations, request for proposals the Customer may, on its own initiative or as a response to an inquiry of any bidder, amend a notice on holding a request for quotations, request for proposals, and procurement documentation.

1.7. The Customer may, at any time after a decision is taken that it is necessary to amend a notice on holding a request for quotations, request for quotations, documentation on the procurement, such amendments are posted in the unified information system.

1.8. If amendments to a notice or documentation on procurement are made later than two working days in holding a request for quotations/one working day in holding a request for proposals, a term for submission of requests for participating in request for quotations, request for proposals shall be extended so that from the day of posting such amendments in the unified information system to a notice or documentation on procurements to the end date for submission of requests for participating in a request for quotations, request for proposals, such term shall be at least three working days.

2. Procedure for Submission of Requests

2.1. To participate in the request for quotations, request for proposals the bidder shall prepare a request for participation in the request for quotations, request for proposals executed in full compliance with the requirements of the procurement documentation. The bidder may submit only one request with respect of each subject-matter of the request for quotations, request for proposals (lot).

2.2. In pursuance of procurement documentation all documents shall be submitted to the electronic trading facility as scan-copies of signed documents.

2.3. The bidder may amend or withdraw a submitted Request for participation in the Request for Quotations, Request for Proposals not later than the deadline for submission of Requests for participation in the Request of Quotations, Request for Proposals. Amendment or addition to the Request is permitted by submission of a new Request only, then the original Request shall be withdrawn by the bidder.

3. Procedure for Clarifications on the Points of the Procurement Documentation to the Bidders

3.1. Any bidder may submit an inquiry to the Customer for clarification of the points of the documentation on the procurement in writing or as an electronic document.

3.2. The bidder is entitled to forward an inquiry for clarifications on the points of the procurement documentation to the postal address of the Customer, e-mail stated in the procurement notice or post in the electronic trading facility.

3.3. The Customer posts the copy of such clarifications (with no reference to the name or address of the bidder from which such inquiry for clarifications has been received) in the unified information system.

4. Payment Method for Goods, Work, and Service

4.1. The payment method is cashless transfer.

5. Pricing Procedure for the Agreement Price (Lot Price)

5.1. The Agreement Price (Lot Price) shall be formed subject to expenses for carriage, insurance, payment of customs duties, taxes and other mandatory payments unless otherwise is provided in the Terms of Reference (Appendix 3).

6. Requirements for safety, quality, technical performance, functionality (consumer properties) of goods, work, and service, for sizes, packing, shipment of goods, work results established by the Customer and provided for technical maintenance rules in accordance with the laws of the Russian Federation about technical regulation, documents elaborated and applicable in the national system of standardization adopted in accordance with the laws of the Russian Federation on standardization, other requirements related to the establishment of the conformity of goods to be supplied, work to be performed, service to be provided with the customer needs.

6.1. Requirements for safety, quality, technical performance, functionality (consumer properties) of goods, work, and service, for sizes, packing, shipment of goods, work results established by the Customer and provided for technical maintenance rules in accordance with the laws of the Russian Federation about technical regulation, documents elaborated and applicable in the national system of standardization adopted in accordance with the laws of the Russian Federation on standardization, other requirements related to the establishment of the conformity of goods to be supplied, work to be performed, service to be provided with the customer needs are set forth in the Terms of Reference (Appendix 3).

7. Requirements for description by the procurement bidders of goods to be supplied which is the subject-matter of procurement, its functionality (consumer properties), its quantitative and qualitative features, requirements for description by the procurement bidders of work to be performed, service to be provided which are the subject-matter of procurement, their quantitative and qualitative features.

7.1. Requirements for description by the procurement bidders of goods to be supplied which is the subject-matter of procurement, its functionality (consumer properties), its quantitative and qualitative features, requirements for description by the procurement bidders of work to be performed, service to be provided which are the subject-matter of procurement, their quantitative and qualitative features are set forth in the Terms of Reference (Appendix 3).

8. Requirements for the procurement bidders and list of documents to be submitted by the procurement bidders to confirm their conformity with the established requirements

8.1. There are set the following mandatory requirements for a legal capacity of the procurement bidder

8.1.1. The conformity of the procurement bidder with the requirements set in accordance with the laws of the Russian Federation for persons making deliveries of goods, performance of works, provision of services which are the subject-matter of the procurement.

8.1.2. Availability of the relevant licenses, certificates, approvals and other permits of governmental authorities of the Russian Federation and/or other countries (if applicable) to undertake by them or persons contracted by them, of activity which is necessary to meet obligations undertaken by them in accordance with this documentation and an agreement expected for conclusion in accordance with this documentation.

8.1.3. No liquidation proceeding with respect to the corporate procurement bidder and a lack of an arbitration award on the adjudication of the corporate bidder, individual entrepreneur a bankrupt or initiating bankruptcy proceedings.

8.1.4. No suspension of the procurement bidder's business in accordance with the procedures contemplated by the Russian Federation Administrative Offence Code as of the day of submission of the request for participation in the procurement.

8.1.5. A lack of the indebtedness with the procurement bidder on taxes, dues and other mandatory payments accrued to the budgets of the budgetary system of the Russian Federation (except for those amounts where it is granted a delay, payment by instalments, investment tax credit in accordance with the laws of the Russian Federation on taxes and charges which are rescheduled in accordance with the laws of the Russian Federation where there is a court decision which has entered into legal force, on recognition of the obligation of the claimant to pay such amounts discharged or which have been adjudicated bad debts for recovery in accordance with the laws of the Russian Federation on taxes and charges) for a calendar year elapsed.

The procurement bidder shall be deemed complying with the established requirement provided that it appeals the existence of the said arrears, indebtedness and a decision on such appeal is pending as at the day of examining such request for identifying a supplier (contractor, provider) is not taken.

8.1.6. A lack of information of the procurement bidder in the register of mala fide suppliers contemplated by Article 5 of Federal Act No. 223-ФЗ and in the register of mala fide suppliers contemplated by Federal Act No. FZ-44 dated 05 April 2013 "On Contracting System in Procurement of Goods, Works, and Services for Governmental and Municipal Needs".

8.1.7. The procurement bidder shall not have a conflict of interests with the customer's employees.

8.2. If the procurement is undertaken among the subject of small and medium businesses only, the procurement bidder shall conform with the qualifying criteria for the subjects of small and medium businesses established by Article 4 of the Federal Act "On Development of Small and Medium Businesses in the Russian Federation" and shall declare in the request for participation its classification as the subject of small and medium businesses by submission in the form of an electronic document, of details from the unified register of the subjects of small and medium businesses which contain the details about the procurement bidder, or declaration of conformity of the procurement bidder with the qualifying criteria for inclusion in the subjects of small and medium businesses in the form of the Appendix to the Regulation on specifics of participation of the subjects of small and medium businesses in the procurement of goods, works, and services approved by the Regulation of the Government of the Russian Federation dated 11 December 2014 No. 1352 if there is no information about the procurement bidder which is a newly registered individual entrepreneur or newly established legal entity.

8.3. The list of all documents evidencing the conformity of the procurement bidder with the established requirements is given in the Questionnaire Form of the bidder (Appendix 2).

8.4. Additional requirements for the procurement bidders related to the requirements for safety, quality, technical performance, functionality (consumer properties) of goods, work, and service as well as the procedure for confirming the conformity of the procurement bidders with the said requirements may be provided for by the Terms of Reference (Appendix 3).

9. Requirements for the Contents, Form, Execution and Setup of the Request for Participation in the Procurement

9.1. The bidder's Request shall include the following documents:

9.1.1. The Request for participation in the procedure executed on the official letterhead of the procurement procedure bidder (Appendix 1).

9.1.2. The bidder's Questionnaire Form executed on the official letterhead of the procurement procedure bidder (Appendix 2).

9.2. All documents and information submitted by the bidders shall be issued in Russian or English. If any information or documents are submitted in other language, they shall be accompanied by translation into Russian or English.

9.3. All prices shall be stated in the currency of the initial (maximum) price of the agreement (lot price). If the price in the bidder's request is set in the currency which is different from the initial (maximum) agreement price (lot price), the Customer may recalculate the price into the required currency at the rate as of the end date for taking the requests for assessment and comparison of requests.

9.4. The Request validity period for participation in the procurement shall be at least 90 days from the end date for submission of requests for participation in the procurement.

9.5. A request shall be provided for each lot separately.

9.6. A request shall include one main request with the price, dates and other terms of delivery of goods/performance of works/provision of services provided that submission of alternative proposals is not contemplated by procurement documentation.

9.7. The Bidders shall pay independently all expenses related to submission of the request, including but not limited to expenses for examination of this documentation and issuance of proposals.

10. Procedure for Examination, Assessment and Comparison for Requests to Participate in Procurement

10.1. Requests for participation in procurement shall subject to two-stage check:

Stage one – is a pre-qualification stage of examining such requests for the conformity with the requirements of procurement documents in part of execution of such requests;

Stage two – is an assessment stage of requests passed the pre-qualification stage.

10.2. The pre-qualification stage of examining of requests for the conformity with requirements of procurement documentation shall be carried out based on the following indicators and assessment procedure:

10.2.1. Conformity with the requirements for procurement bidders: checking the bidders for the conformity with the requirements based on documents received in accordance with clause 8, including but not limited to its legal capacity and a lack of a procurement bidder in the register of mala fide suppliers.

10.2.2. The completeness of the documents submitted: check for the conformity of the documents submitted in the request with the required list (Appendix 1 and 2) as well as the accuracy of information and documents submitted.

10.2.3. Conformity of the request for participation with the requirements of procurement documents: check for the contents of the request, including the contents of the price proposal, other information in accordance with the requirements of procurement documentation.

10.3. If in the course of the pre-qualification stage the competition commissions establishes the fact that the request fails to conform by one or more indicators referred to in clause 9, such request shall be waived and shall be subject to no further examination.

The request of the procurement bidder may also be waived in the following instances:

- a) there is a failure to submit copies of documents as well as other information required by the procurement documentation;
- b) non-conformity of the procurement bidder with the requirements for the procurement bidders set by procurement documentation;
- c) submission of knowingly false information as a part of the request, intentional misrepresentation of information or documents making a part of such request;

- d) a failure to provide clarifications on the request for participation in the request for quotations upon request of the Competition Commission;
- e) existing information on the procurement bidder in the register of mala fide suppliers;
- f) existing overdue accounts receivables with the procurement bidder and/or unfulfilled obligations to the customer and its subsidiaries and related companies (including affiliated structures with the procurement bidder);
- g) non-conformity of goods, works, and services offered with the requirements of procurement documentation;
- h) existing other adverse information identified by the results of the check.

10.4. If only one request for participation in the request for quotations, request for proposals is received by the completion date for submission of requests for participation in the request for quotations, request for proposals established by procurement documentation, such request for quotations, request for proposals shall be deemed failed.

10.5. If procurement documentation provides for two or more lots, a request for quotations shall be deemed failed with respect to those lots only with respect of which the only request has been submitted.

10.6. If the only request for participation in the request for quotations, request for proposals is received by the customer by the completion date for submission of requests set by procurement documentation, despite the request for quotations, request for proposals is recognized failed, the competition commission shall examine it in the manner contemplated by this documentation. If the request for participation in the request for quotations, request for proposals being examined and the procurement bidder submitted such request conform with the requirements and terms contemplated by procurement documentation on holding such request for quotations, request for proposals, the Customer is entitled to enter into an agreement with such bidder.

10.7. If a request of the only bidder is recognized conforming with the procurement documentation at the pre-qualification stage, such bidder shall be deemed the only bidder in the request for quotations, request for proposals. The Customer may enter into an agreement with the procurement bidder which has submitted such request, on the terms of procurement documentation, draft agreement and request submitted by such bidder. Such bidder is not entitled to waive the conclusion of the agreement with the customer. The request for quotations, request for proposals shall be deemed failed in such case.

10.8. The request which have passed the pre-qualification stage shall be assessed by criteria stated in the Assessment and Comparison Criteria of the Requests table. The proposal prices of all bidders excluding VAT shall be used as a single basis for comparing price proposals.

10.9. If in the course of assessing the requests for participation in the request for quotations, request for proposals the Competition Commission is necessary to extend or reduce the dates of pre-qualification and/or assessment stage stated as the dates for examining proposals of the procurement bidders and summarizing the procurement results, in the notice on holding a request for quotations, request for proposals the customer shall, within one working day after a decision is made by the competition commission on extension or reduction of the dates for the pre-qualification and/or assessment stage, post a notice on the extension or reduction of the relevant term in the unified information system.

10.10. The Winner in the request for quotations, request for proposals.

10.10.1. It shall be recognized the Winner in the request for quotations that procurement bidder which conforms to the requirements set by procurement documentation, which has failed a request that meets all the requirements set by procurement documentation and where it is stated the lowest price for goods, works, and services.

10.10.2. It shall be recognized the Winner in the request for proposals that bidder which conforms to the requirements set by procurement documentation, which has proposed the

best combination of terms for the performance of an agreement and to the request for participation in the request for proposals is assigned number one. The assignment of the sequence number to each request for participation in the request for proposals as the advantage degree of the terms for the performance of an agreement contained in such request decreases, shall be done by the results of final point calculation for each request. Number one shall be assigned to the request for participation in the request for proposals which has gained the highest final point. The final point of each request for participation in the request for proposals shall be calculated by adding points for each criterion for the assessment of such request.

If more than one requests for participation in the request for proposals include equal combination of terms for the performance of an agreement, a lesser sequence number shall be assigned to the request for participation in the request for proposals which has been received earlier than other requests for participation in the request for proposals which contain such terms.

10.11. Based on the results of examination and assessment of requests the competition commission shall issue a record of the results of the request for quotations, request for proposals. The Record shall be signed by the Chairman and the Secretary of the Competition Commission not later than in ten (10) days from the day of the meeting of the competition commission.

10.12. The Record shall be posted in the unified information system not later than in three (3) days from its signature.

10.13. The term for signature of the agreement with the bidder whose proposal is recognized the best – not later than seven calendar days from the date of the receipt of such agreement from the Customer.

10.14. Should the winner in the request for quotations be evading the conclusion of the agreement, the Competition Commission may take a decision to sign the agreement with the bidder which offered the same price in its request as the winner, or whose proposal of the agreement price contains better terms after those proposed by the winner. The agreement with such bidder shall be signed on the terms of the draft agreement attached to the procurement documentation at the price offered by such bidder in the quotation request. Such bidder is not entitled to waive the conclusion of the agreement.

Should the bidder which offered the same price in the quotation request as the winner, waive the conclusion of the agreement, or which proposed the terms next to the ones proposed by the winner, the request for quotations shall be recognized failed.

10.15. Should the winner in the request for proposals be evading the conclusion of the agreement, the competition commission may take a decision to conclude an agreement with the bidder whose request was assigned number two by the results of assessment and comparison of requests (proposals), on the terms of the performance of the agreement proposed by such bidder in the request. Such decision shall be executed as the relevant record of the meeting of the competition commission. The bidder in the request for proposals is not entitled to waive the conclusion of the agreement.

10.16. Should the bidder in the request for quotations, request for proposals be evading the conclusion of the agreement, the competition commission may take another decision which is different from the one referred to in clauses 10.14 and 10.15, including on recommendation of the procurement from the single supplier.

10.17. The Customer may without giving a reason take a decision to waive the conclusion of the agreement without compensation to the winner or other bidder of expenses incurred by it related to the participation in the procedure for request for quotations, request for proposals.

10.18. Should the customer waive the conclusion of the agreement with the winner in the request for quotations and the bidder which proposed the same price in the quotation request as the winner, or whose proposal of the agreement price contains better terms next to the

ones proposed by the winner as well as if the customer waives the conclusion of the agreement with the winner in the request for proposals and the bidder whose request was assigned number two, the customer shall post its notice on recognition of the request for quotations, request for proposals failed, in the unified information system.

10.19. In holding the request for proposals the Customer may, after completion of the assessment and comparison of proposals, grant an option to the bidders to raise the preference of their requests by reducing the price initially stated in the request (to announce re-bidding). A notice to the bidders about the commencement of re-bidding shall be made by posting a notice on the electronic trading facility. The Customer may announce a secret or public re-bidding. Re-bidding shall be deemed secret unless otherwise is contemplated in the notice of the Customer.

To participate in the re-bidding provided that it is announced, the bidders may, in the term set by the customer, submit a new price proposal. Such new price proposals signed by the bidders shall be submitted in the same order as the requests for participation in the procedure for request for proposals. New proposals on other terms for the performance of the agreement (except price) shall not be examined within such re-bidding. The price received in the course of such re-bidding shall be deemed final proposal of the bidder.

11. Consequences of Recognizing the Request for Quotations, Request for Proposals Failed

11.1. Should the request for quotations, request for proposals be recognized failed and/or the agreement is not concluded with the procurement bidder which has submitted the only request for participation in the request for quotations, request for proposals or recognized the only bidder in the request for quotations, request for proposals, the Customer may hold the repeated request for quotations, request for proposals or apply another method of procurement.

12. Closing Provisions

The Customer shall be governed by the Procurement Regulation in all other matters not contemplated by this documentation.

Appendices:

Appendix 1: Request Form for Participation in the Procedure

Appendix 2: Bidder Questionnaire Form

Appendix 3: Terms of Reference

Appendix 4: Draft Agreement

Request for Participation¹ In the Procurement Procedure:		
<i>(state the name of the procurement procedure, procedure number if necessary lot number)</i>		
1. Having studied the terms and requirements stated in the procurement documentation posted in the electronic trading facility as well as the Regulation on procurement of goods, work, service of the Customer and accepting the requirements stated therein, terms for holding the request for quotations, request for proposals and delivery of goods (performance of works, provision of services)		
<i>(state full name of legal entity/last name, first name, patronymic of individual)</i>		
Registered at the following address:		
<i>(state place of location address of legal entity/place of residence of individual)</i>		
предлагает заключить договор на		
<i>(state the subject-matter of the agreement)</i>		
In accordance with the price proposal and other documents which are an integral part of this request for participation in the procedure of public request for quotations, request for proposals.		
Quote:		
Maximum Turnaround time _____		
NTEP for performance of SV (in USD) _____		
EGT Margin (in %) _____		
FCA airport of shipment _____		
DAP transfer point _____		
Name	Maximum value	Possible offer
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	

¹ To be executed on the official letterhead of the bidder in the procurement procedure as a separate document.

2. This Request for participation in the request for quotations, request for proposals, is to advise (declare) that against us:
Neither award of the arbitration court on adjudication a bankrupt and initiating bankruptcy proceedings, nor liquidation procedure was carried out (for legal entities)
Activity is not suspended in the manner contemplated by the Russian Federation Administrative Offence Code, as of the submission day of the request for procurement participation purposes;
No information in the register of mala fide suppliers contemplated by Article 5 of Federal Act No. 223-ФЗ and in the register of mala fide suppliers contemplated by Federal Act No. FZ-44 dated 05 April 2013 "On Contracting System in Procurement of Goods, Works, and Services for Governmental and Municipal Needs".
3. This is to guarantee the accuracy of information submitted by us in the request for participation in the procurement and confirm the right of the Customer which is without prejudice to the requirement to form equal terms for all procurement bidders, to request from us, from the authorized agencies and legal entities and individuals mentioned in our request for participation in the procurement, clarifying information submitted by us in it.
4. In the event of our winning in the request for quotations, request for proposals we guarantee the provision of details with respect to all chain of owners, including beneficiaries (including ultimate) and the members of executive bodies with evidencing by the relevant documents (except the procurement bidders which are governmental authorities, governmental and municipal agencies and unitary enterprises) in a week term from posting the record determining the right of the bidder to conclude an agreement with the customer, in the unified information system.
5. In the event the Customers offers to conclude an agreement by the results of the procurement, we undertake to sign an agreement with Rossiya Airlines JSC in accordance with the requirements of procurement documentation and our request, in term not later than three calendar days from the day of receipt of the agreement from the customer and give our consent to perform the terms of such agreement.
6. In the event we are recognized the procurement bidder ranked the second by the results of the procurement, and the procurement winner is recognized evaded the conclusion of the agreement, we undertake to sign the agreement in accordance with the requirements of the procurement documentation, our request and give consent to perform the terms of the agreement.
7. In the event we are recognized the only procurement bidder, we undertake to sign the agreement in accordance with the requirements of the procurement documentation, our request and give consent to perform the terms of the agreement.
8. If we are recognized the winner in the request for quotations, request for proposals or taking a decision on the conclusion of an agreement with us in the established instances, and our evasion of the conclusion of the agreement which is the subject-matter of the procurement, we agree to the inclusion of information in the Register of mala fide suppliers.
9. Принимаем на себя обязательство не изменять и (или) не отзывать заявку на участие в закупке после истечения срока окончания подачи заявок на участие в запросе котировок, запросе предложений.
10. Submitting this request, I confirm my consent to processing personal data in accordance with Federal Act dated 27 July 2006 No. 152-FZ "On Personal Data" ⁵ .
11. Documents which are an integral part of our request for participation in the procurement, are attached to this request for participation in the procurement: 11.1. The Questionnaire Form of the procurement bidder in the form of Appendix 2; 11.2. Information about functional specifications (consumer properties) and qualitative

specifications of goods, work, and services. In the instances contemplated by the procurement documentation, also copies of documents evidencing the conformity of goods, works, services with the requirements established in accordance with the laws of the Russian Federation provided that the laws of the Russian Federation establish requirements for such goods, works, and services.		
According to the list on	pages	
Principal		
(signature)		(state initials, last name)
SEAL		
Date of issuance		
(DD)	(MM)	(YYYY)

⁵ The clause is subject to inclusion as a part of the request from the procurement bidder only who is an individual.

Appendix 2 To Procurement Documentation

BIDDER QUESTIONNAIRE FORM² Procurement Procedure	
<i>(state the name of procedure)</i>	
Procedure No. _____ <i>(state the procedure number)</i>	Lot No. _____ <i>(state the lot number)</i>
<i>(state full name of entity in accordance with the Articles of Association and legal organizational form)</i>	
<i>(state abbreviated name of the entity in accordance with the Articles of Association)</i>	
1. Legal details	
Country _____ of registration _____	
Registered address _____	
Street address _____	
Phone _____	
Fax _____	
E-mail _____	
2. Banking details	
INN / KPP of entity _____	
OGRN (Primary State Registration Number) _____	
Transaction Account _____	

² To be executed on the official letterhead of the bidder in the procurement procedure as a separate document.

No.		
Bank Name		
Correspondent account		
BIC		
3. Registration data		
Date, place and registration authority		
Founders		
Primary Business		
Included in the small and medium businesses ³		
OKPO		
OKVED		
4. Appendices to the Bidder Questionnaire Form:		
Description of Document		Number of Pages
1. Copies of incorporation documents (Certificate of State Registration, Articles of Association, Incorporation Agreement).		
2. A copy of statement from the Uniform State Register of Legal Entities and/or Uniform State Register of Individual Entrepreneurs received not earlier than 6 months before the day of posting a notice on holding a request for quotations, request for proposals in the unified information system (for foreign companies – statement from the Trade Register).		
3. Document evidencing the powers of the person to act on behalf of the procurement bidder – legal entity (copy of resolution on appointment or election or an order on appointment of an individual to the office under which such individual is entitled to act on behalf of the procurement bidder without a power of attorney (hereinafter also the Principal). If other person acts on behalf of the procurement bidder, such competition request shall also include a power of attorney to perform actions on behalf of the procurement bidder certified by the seal of the procurement bidder (for legal entities) and signed by the principal of the procurement bidder or a person authorized by such principal, or notarized copy of such power of attorney. If the said power of attorney is signed by the person authorized by the principal of the procurement bidder, the request for participation in the competition shall also include a document evidencing the powers of such person.		
4. Details of a lack of/existing affiliation of the procurement bidder with the employees of Rossiya Airlines JSC and their close relatives (spouses, children, parents, brothers and sisters).		
5. A copy of notice on application of the simplified taxation system (STS) or a notifying statement of the bidder on STS application with the seal of the tax authority (where applicable), with the submission of a tax return on the tax to be paid in connection with the STS application, for the latest year.		
6. For a group (for several persons) of persons acting on the part of one		

³ If the bidder is included in the subjects of small or medium businesses, it shall be attached to the request a document containing details from the unified register of subjects of small and medium businesses, or declaration of conformity in the form approved by regulation of the RF Government dated 11 December 2014 No. 1352

procurement bidder, it shall be submitted additionally a copy of the document evidencing the union of persons acting on the part of the one procurement bidder into the group, and the right of a certain procurement bidder to participate in the procedure on behalf of the group of persons, including submit a request for participation, to sign an agreement.		
5. Contact person _____ <i>(state last name, first name, patronymic, telephone, fax, e-mail)</i>		
This is to confirm by the bidder the accuracy of all data stated in the Questionnaire Form.		
Principal <i>(title of the Principal)</i> SEAL Date of Issuance	_____ <i>(signature)</i> _____ <i>(DD)</i>	_____ <i>(state initials, last name)</i> _____ <i>(MM)</i>
	_____ <i>(YYYY)</i>	

Appendix 3

To Procurement Documentation

Terms of Reference

Shop Visit for a CFM56-7B Engine ESN894306

1. Terms, Conditions and Procedure of Payment

1.1. Payment shall be via bank wire transfer.

1.2. Invoicing and payment terms:

- A down payment of not more than 20% of the Shop Visit Not-to-Exceed Price (NTEP) may be payable before the Engine induction. The Contractor shall provide corresponding invoice at least 10 days prior to the Engine induction.
- The remaining portion of the NTEP may be payable upon completion of works and before redelivery of the Engine. The Contractor shall provide corresponding invoice at least 10 business days before the planned Engine redelivery date.
- Final invoice balanced vs. the NTEP shall be paid within 30 days from a date of invoice receipt by the Customer, or later if mutually agreed by both parties. The invoice for payment should be sent by the Contractor at amd9@rossiya-airlines.com without any undue delay.
- If the Contractor fails to provide any invoice in time, payment date may be rescheduled for such period. In such case the Contractor shall not postpone accomplishment of Services or withhold release of the Engine.

2. Shop Visit timeframe

2.1. Shop Visit shall start on or about December, 03 2018.

2.2. Agreed Maximum Shop Visit Turnaround time (TAT) shall be **55 calendar days** or less, while a shorter TAT will be an advantage.

2.3. The Contractor shall arrange for availability of all necessary parts and materials in its warehouse to timely perform all necessary parts and materials replacements in course of the Shop Visit and within the TAT; and the Contractor shall confirm that in no event the reason for the late redelivery of the Engine will be either a replacement part missing or an Engine-original part being repaired beyond the TAT.

2.4. In case of impeding TAT delay due to late return of a part from an outsourced repairer; and in lack of a used overhauled part on the market, the Contractor shall supply a factory-new Replacement Part.

2.5. Except for excusable delay cases, the Contractor shall credit to the Customer an agreed percentage of the NTEP for each day of the TAT exceedance, without limitation of the total credit sum, regardless was such exceedance caused by a direct Contractor's fault, or by a fault of any of the third parties engaged by the Contractor.

3. Major requirements for the Shop Visit proposal

3.1. Shop Visit proposal shall be prepared based upon the Not-to-Exceed Price (NTEP) of the Engine repair, performed in accordance with the Workscope (ref. Appendix 1.A hereto). This means that the Customer shall pay the lesser of (i) actual time and material cost of the Shop Visit and (ii) the agreed NTEP.

The NTEP for the Appendix 1.A Workscope shall not exceed **2 200 000.00 USD** (while the lesser NTEP will be an advantage), and shall cover:

3.1.1. Labor and Services:

- Engineering support services such as Workscope customization, SB evaluation and implementation recommendation
- Engine incoming inspection
- Performance of as-received test of the Engine, if requested by Customer
- Engine Components and parts removal and reinstallation (including LRU, QEC).
- Engine disassembly
- Engine Modules disassembly (where applicable per Workscope)
- Cleaning, Non-Destructive Testing and inspection of Engine Parts
- Labor for in-house Engine Parts repair (where the Contractor has in-house capabilities)
- Labour for outsourced Engine Parts repair
- Labour for SB and AD incorporation as required per Appendix 1.A Workscope
- Labour 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 incoming test with documented parameters
- Engine performance Test Cell run, incl. Test Cell usage, Engine preparation for the test, and Engine components operational check during Engine performance test run.
- Full and complete Video Borescope inspection accessing all available BSI ports. Provision to the Customer of a written BSI Report and DVD video ensuring that all stages of the Booster, HPC, HPT, LPT (with all visible Blades inspected both L/E and T/E Tip to Root) and Combustion Section (incl. Fuel Nozzles, Inner & Outer Liners, CC dome and HPT NGV's) are captured on the video, and the measurements or any damage found are recorded on DVD.
- Engine final inspection and preparation of Engine documentation.
- Engine preservation.
- Engine preparation for shipment.
- All the additional works resulting from Workscope and inspection but not leading to the Workscope extension.
- Any handling charges incurred in connection with the Shop Visit.

3.1.2. Material

- Scrapped Engine Parts required to be replaced in full and the applicable handling fees.
- 100% of all exposed Airfoil material (including HPC Blades and Vanes, HPT Blades and Vanes, HPT Shroud, LPT St.1 NGVs, No. 4 and No. 5 Bearings), repair or scrap replacement as required per Workscope, including applicable handling fees.
- Material for Engine Parts in-house subcontracted repair and applicable handling fees.
- Procurement of exchange Engine Parts and applicable exchange and handling fees.
- Oil & fuel for Engine performance Test Cell run.
- Material for SB and AD as required per Appendix 1.A Workscope.
- Material for incorporation of Cat 1 through 3 SBs if applicable.
- All the required Consumables and Expendables.
- Parts and material for all the additional works resulting from Workscope and inspection, but not leading to the Workscope extension.

3.1.3. Components

- Labour and material for all Engine accessories and components including QEC removal, installation, maintenance and/or repair (visual inspection, bench test or overhaul) in accordance with the Workscope Planning Guide.

- Any handling charges incurred in connection with repair of the Engine accessories and components including QEC.

3.2. The following shall be excluded from the NTEP, and shall be charged upon Time & Material cost in the Final Invoice:

- Cost of any replacement LLP material.
- Any additional work and material not covered in the sub clause 3.1 and Appendix 1.A Workscope.
- Any works and material required for TAI, Bleed and VBV defect rectification as per Appendix 1.B.

3.3. Annual escalation of the NTEP shall not exceed 2,6 %

3.4. Time & Material rates for all works not covered by the NTEP shall 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

3.5. Material Support

- There should be engine parts and material support during maintenance event.
- The Contractor shall provide material storage facility to support the Shop Visit
- All new spare parts shall have certificates such as EASA Form 1 or FAA 8130-3.
- All repaired/overhauled spare parts (including any LLP material 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.
- Engine Parts shall be subject to the 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, proposed for installation in the Engine (Replacement Parts). Such Replacement Parts shall have been overhauled; be in as good an operating condition as removed parts; and have a value, utility and remaining useful life at least equal to removed parts. The Replacement Parts shall have all historical "back-to-birth" records ensuring full traceability of such parts as well as NIS and No-PMA/DER Statements from all operators. In case Lessor does not approve a Replacement Part proposed by the Contractor for any reasons (missing paperwork etc.), the Contractor shall continue searching for an acceptable Replacement Part and propose any available options for review. In case the Contractor is not able to procure

a Replacement Part that meets Lessor's requirements, Contractor shall purchase and install in the Engine factory-new Replacement Part. Alternatively, the Customer shall have a right to purchase from the market any Replacement Parts by its own and supply it to the Contractor. The Contractor then shall deduct the actual cost of such Customer-supplied Replacement Parts from the final invoice.

- 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.
- All scrapped Engine parts after the Shop Visit shall remain as property of the Customer and shall be stored free of charge until additional notification but not more than for 12 months.

3.6. EGT Margin guaranty:

- A Guaranteed EGT Margin at 26K thrust should be at least **40°C** at the Test Cell run after the Shop Visit.
- The Contractor shall monetary compensate for each °C below the offered 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 to restore the EGTM.

3.7. Warranty terms:

- The Contractor shall guarantee a minimum of 8000 FH or 24 months (whichever comes first) of the Engine operation free of workmanship defects arising from the performed Shop Visit.
- The Contractor's warranty shall expressly cover the workmanship of TAI, Bleed and VBV defect rectification as per Appendix 1.B. This coverage shall not be limited by any single part or component fault, but instead be applicable to whole Engine condition as per described defect, which means any reoccurrence of the same defect within warranty term shall constitute a warranty case for the Engine.
- Any warranty available for any Engine part or component supplied or repaired/overhauled by the Contractor, its vendors and subcontractors shall be assigned to the Customer. The warranty terms for the factory-new parts and components shall be at least 4000 FH or 12 months (whichever comes first), and at least 3000 FH or 12 months (whichever comes first) for the repaired/overhauled parts and components.

4. Additional requirements for the Shop Visit

4.1. A Contractor for this Shop Visit must:

- have been trading internationally for not less than 10 years as a major EASA and FAA - certified CFM56-7 overhaul specialist shop;
- have a demonstrable experience of not less than 50 CFM56-7 Shop Visits (of a workscope similar to, or higher of, the subject one) completed over last 3 years;

- have in-house capabilities of engine modules repair according to the subject Workscope;
- have an immediately available stock of materials to support the Shop Visit, including a complete set of material (incl. Airfoil material) sufficient to cover up to 100% scrap of the relevant Engine Parts;
- have in-house engine testing facilities including a fully capable Test Cell.

All above mentioned requirements should be documented by a written Declaration on the participant's letterhead, signed by a duly authorized person.

4.2. Engine certification upon Shop Visit completion shall be in accordance with EASA and FAA rules.

4.3. Within 30 days upon Engine release, the full and complete set of the Shop Visit 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. Engine storage at the Contractor's facility after Shop Visit shall be free of charge for up to and including 30 days after the Engine release date.

4.5. Engine transportation to and from the Contractor's shop location shall be coordinated with Customer's Logistics Department in advance of the Engine dispatch.

4.6. Transportation shall be performed in accordance with Incoterms 2010. Delivery to Engine Maintenance Provider shall be DAP – agreed delivery location, Redelivery to Customer shall be on FCA terms – agreed collection location.

4.7. List of LRUs and their time recording for the engine S/N ESN894306. (Annex 1)

5. .Acceptability of Contractor's contractual documentation

5.1. A bidder shall have a right to submit its own draft contract, provided it complies with all mandatory conditions as expressly stated in this Procurement Documentation. Meeting all requirements of this Terms of Reference is necessary also.

6. Applicability of the Russian Federation State standards

6.1. Since the Engine is intended for use on Customer's foreign-registered commercial aircraft, the Engine, its maintenance & repair, and associated records must comply with international (EASA/FAA) requirements and regulations; hence, the State standards of the Russian Federation are not applicable.

7. Engine technical records access

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

https://www.dropbox.com/sh/8isych9gg8a3kjt/AAB_J-GltSyAaWaASG-C-otla?dl=0

Appendix 1.A

ESN 894306 Modular Workscope

1. Perform Incoming Engine Test and provide Engine parameter records to compare it with data at final engine test.
2. Provide detailed shop findings report with photo and measurement (where applicable) of defects on Modules 23X – 33X for CFM Report.
3. Disassemble/Assemble the Engine to Major Modules:
 - Fan Major Module
 - **Shop Module 21X (Fan and Booster) – Minimum Workscope Level.**
Remove and overhaul Fan Blades. Comply with EASA AD 2018-0109/ FAA AD 2018-10-11, SB 72-1033.
 - **Shop Module 22X (1&2 Bearing Support) – Minimum Workscope Level.**
Visually inspect exposed areas. Remove if necessary for core removal.
 - **Shop Module 23X (Fan Frame) – Full Workscope Level.**
 - Core Major Module
 - **Shop Module 31X (HPC Rotor) - Performance Workscope Level.**
 - **Shop Module 32X- 33X (HPC Stator) – Full Workscope Level.**
Replace Inner bushings, shrouds, outer bushings and washers to comply with SB 72-0673 (Cat 7) Introduction of New Metallic-Composite VSV Bushing. Remove rear stator and inspect exposed areas. Blend / replace vanes as inspected. Replace honeycomb seals with overhauled/new ones. SB 72-0581, SB 72-0665, SB72-0673. Inspect VSV and VBV System.
 - **Shop Modules 41X (Combustor Case) - Minimum Workscope Level.**
Fuel nozzles overhaul. Replace honeycomb with a new or refurbished Seal. Visually inspect inside Fuel Manifolds for presence of coke (carbon). Visually inspect exposed areas.
 - **Shop Module 42X – Full Workscope Level.**
Overhaul of combustor, replace TBC. Inspect liners and dome for cracks, burn through and missing material. Repair if necessary. Apply SB 72-694 if not PCW.
 - **Shop Module 51X (HPT Nozzle) - Full Workscope Level.**
 - **Shop Module 52X (HPT Rotor) – Minimum Workscope Level.**
 - **Shop Module 53X (LPT stg 1 Nozzles & HPT Stator) – Minimum Workscope Level.**

Inspect Module per modular ESM 72-00-53 inspection. Restore HPT Shroud if necessary. Replace LPT Stg 1 Nozzles in case of cracks.

➤ LPT Major Module

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

Do not remove module from major LPT module. Inspect exposed areas.

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

Do not remove module from major LPT module. Inspect exposed areas. Inspect the No. 4 and No. 5 Bearings per modular level and replace if necessary.

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

Do not remove module from major LPT module. Inspect exposed areas.

➤ IGB

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

➤ TGB

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

➤ AGB

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

4. Comply with AD 2002-13-03 (EASA 2002-0390-IMP), AD 2011-18-10, AD 2018-10-11, EASA AD 2018-0109.
5. Comply with CFM56-7B SBs 72-0581, 72-0665, 72-0673, 72-694, 72-0904, 72-0971, 72-1033, 73-0132, 73-0138 (including HMU and Fuel Nozzles Overhaul), 73-0192 and check SB updates.

Appendix 1.B

ESN 894306 Defect Description

On 07-10-2015 during climb the Caution “Bleed Trip Off Left” comes on left engine. Cause: crack on the Bleed duct 5 stage and following Bleed System components damages (PRSOV, High Stage Valve, Bleed Air Overtemp Sens).

On 14-06-2016 during VBV Ring Guide Pads Inspection (TASK 75-32-00-200-801-F00) was found loosening parts of VBV ring guide (P/N 340-079-604-0), that block VBV ring. Loosen guide pads was removed.

On 20-07-2016 during maintenance were found:

- 1) Ruptured Anti-Icing Duct of ENG in upper strut (P/N 332A2390-43)
- 2) Precooler control Valve Shaft has a free play (P/N3289562-5)
- 3) PRSOV Shaft has a free play (P/N 3214552-5)
- 4) Harness J10 is burned off (P/N 325-043-502-0)
- 5) Bleed Air Regulator has a crack (P/N 107492-50)
- 6) Upper STRUT (12 o'clock) was found with signs of overheat (discoloration) and suspect crack on CTAI Duct.

In defect rectification process it was found cracking and fracture of the DUCT ASSY - CTAI p/n 332A2390-45 (IPC 30-11-31-05A Item 20). NOTE: this is the third event with CTAI DUCT fracture on ESN 894306 at 1,5 over past year ! Preceding defect was accompanied with signs of heat damage / discoloration of 12 O'CLOCK ENG STRUT ASSY p/n 332A2371-4 and HARNESS J10 P/N 325-043-502-0. CTAI DUCT ASSY HAVE BEEN REPLACED DURING HOSPITABLE SV AT S7(SRT) BASE AT NOV 2016.

AVM shows: HPT from 5.1 to 5.64 UNIT N1=34%, 36%, 88% from time to time.

Action - No. 1 bearing vibration sensor T332 (sensor failure not confirmed – deactivated for TBS).

MSG: 75-10391 (VSV POSITION SIGNAL) OF. TBS PFMD IAW FIM 75-31 TASK 803 AMM TASK 72-32-00-200-801-F00 HPC Front Stator Inspection insufficient RESULT:

1- Look for damage to the Front Stator Case HAS BEEN PFMD. RESULT- DISCREPANCIES NOT FOUND.

2- Look for damage to the actuation rings HAS BEEN PFMD. RESULT- Missing bushings (30 PIECES) on Stages 1, 2 and 3.

3- Look for damage to the connecting links HAS BEEN PFMD. RESULT- DISCREPANCIES NOT FOUND.

4- Examine the bellcrank assemblies (two locations) HAS BEEN PFMD. RESULT- DISCREPANCIES NOT FOUND.

5- Look for damage to the IGV and stage 3 lever arms HAS BEEN PFMD. RESULT- variable stator vanes HAVE radial and side motion (FREEPLAY) IN STATOR VANE AND WE hear metal-to-metal contact (not permitted IAW AMM SUBTASK 72-32-00-220-002-F00 R61. 15.OCT.2016 If you hear metal-to-metal contact IN stage 1 and 2 lever arms, replace the engine). HAVE BEEN PARTIALLY FIXED DURING HOSPITAL SV AT S7(SRT) BASE AT NOV 2016.

6- Look for damage to the stage 1 and 2 lever arms HAS BEEN PFMD. RESULT- variable stator vanes HAVE radial and side motion (FREEPLAY) IN STATOR VANE AND WE hear metal-to-metal contact. IAW AMM SUBTASK 72-32-00-220-002-F00 R61. 15.OCT.2016 If you hear metal-to-metal contact IN stage 1 and 2 lever arms, replace the engine. HAVE BEEN PARTIALLY FIXED DURING HOSPITAL SV AT S7(SRT) BASE AT NOV 2016.

Appendix 4
To Procurement Documentation

Draft Agreement

This Agreement № _____ (hereinafter referred «Agreement») as is made between:

(1) **ROSSIYA Airlines JSC**, an open joint stock company having its principal office at 18/4 Pilotov Street 196210 Saint Petersburg, Russia ("the Customer"); and

(2) **TBD**, having its principal office at TBD («Engine Maintenance Provider»)

each may also be referred to as a "Party", or collectively, the "Parties".

BACKGROUND:

A. Engine Maintenance Provider has facilities for the maintenance, overhaul and repair of certain engines, modules, engine accessories, engine components and parts at its base _____.

B. The Customer wishes Engine Maintenance Provider to perform certain maintenance and/or overhaul and/or repair work on certain engines, modules, engine accessories, engine components and parts on its CFM56-7B ESN894306 engine as stated in this Agreement.

C. This Agreement sets out the terms and conditions that will apply when Engine Maintenance Provider agrees to perform such maintenance and/or overhaul and/or repair work pursuant to a purchase order issued by the Customer and acknowledged by Engine Maintenance Provider.

THE PARTIES AGREE AS FOLLOWS:

1. Definitions and Interpretation

a) In this Agreement the following expressions have the following meanings:

Affiliate	means any person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under the common control with the party specified. For the purpose of this definition, "control" shall mean the possession, direct or indirect, of the power to cause the direction of the management and policies of a person, whether through ownership of fifty percent (50%) or more of the voting securities or such person by contract or otherwise. A person shall only be considered an Affiliate as long as such control exists.
Business Day	means a day (other than a Saturday, Sunday, bank or public holiday) on which banks are open for business in Russian Federation and New York. Unless the term "Business Day" is used, the word "day" shall refer to calendar day.
Customer Departure Record (CDR)	means a repair solution for a CFM56-7B ESN894306 engine approved and issued by the Engine OEM.
Deviation to Instructions for Continued Airworthiness	means a repair solution for a CFM56-7B ESN894306 approved and issued by the Engine OEM.

Capabilities and Fixed Prices Catalogue (CPC)	means the current Engine Maintenance Provider fixed price catalogue for Engine Parts repair services.
Consumables and Expendables	means parts (i.e. expendable items) that are used only once and can never be used again as defined in the CFM56-7B ESN894306, manuals.
EGT margin	EGT margin (EGTm) is defined as Hot Day Exhaust Gas Temperature margin according to applicable ESM plus the appropriate work scope adder. New production EGTm shall be calculated to the same EGT limit according applicable ESM.
"Engine On Ground Time" (EOGT)	means a period between the moment of Engine collection for transportation to the repair station and the moment of delivery to the designated location after accomplished shop visit when Engine is released as serviceable without any abnormal limitations.
Engine	means a CFM56-7B ESN894306, engine, including its modules, engine accessories, engine components and parts.
Engine Component	means an assembly, for which an own component maintenance manual exists with maintenance and repair instructions and which is attached directly to an engine. Engine Components are designated by CFMI also as controls and accessories.
Engine Part	means any one or more Rotable, Repairable, unless stated otherwise Engine Component. For avoidance of doubt, an Engine Part can be a Life Limited Part or a non-Life Limited Part.
Fault	means blameworthiness and responsibility for an error, mistake or wrongdoing
Incoterms	means Incoterms 2010, published by International Chamber of Commerce.
Indemnitees	means Engine Maintenance Provider, its parent and any associated company and their respective directors, officers, employees, servants, agents and subEngine Maintenance Providers.
Life Limited Part (LLP)	means any Engine Parts which has an approved life permitted by the manufacturer of the engine and/or the authority.
Losses	means any losses, costs, liabilities, damages, action, claims, proceedings, charges and expenses (including legal costs).
Maintenance	means any one or combination of test, inspection, repair, overhaul, modification or defect rectification of an Engine.
Material	means any one or more Engine Parts, engine modules, Expendables and Consumables
Quick Engine Change (QEC)	means any non-Engine hardware that may be mounted on an eligible Engine to interface to a specific airframe; in other words, any hardware that is not in the IPC of the Engine including the following systems: fuel, hydraulic, pneumatic, fire detection, electrical, integrated drive generator system, cooling, engine control, nacelle drain and vent, starter, nacelle and engine instrumentation, inlet anti-icing, engine mounts and engine vibration monitoring
Repairable	means a part or an engine which may be economical to repair to a serviceable condition
Rotable	means a part or an engine which may be economically repaired to a serviceable condition and which in the normal course of

	operations is repeatedly rehabilitated to a serviceable condition except when it is beyond economical repair (BER).
Shop Visit	means induction of an Engine into the workshops of Engine Maintenance Provider or permitted subEngine Maintenance Provider to perform services pursuant to this Agreement.
Engine Maintenance Provider' Capabilities and Prices Catalogue (or "CPC")	means the catalogue for engine services published by Engine Maintenance Provider
Engine Maintenance Provider Facility	means Engine Maintenance Provider maintenance facility at _____
Taxes	means taxes, duties including custom duties, excises, stamp duties, fees, commissions and/or equivalent charges of any kind other than VAT.
Turn Around Time	means the time that starts on the first Business Day after the following conditions are fulfilled: (a) an Engine is inducted at the engine shop; (b) the initial workscope has been accepted by the Customer; (c) the relevant documentation, required pursuant to this Agreement, has been received by Engine Maintenance Provider, as set in Annex C. It ends on the day the Engine is declared serviceable by Engine Maintenance Provider.
Value Added Tax	means any other similar sales, goods, services, purchase or turnover tax or duty levied by any way by any competent authority

b) In this Agreement the following abbreviations have the following meanings:

AD	Airworthiness Directive
AMM	Aircraft Maintenance Manual
ASB	Alert Service Bulletins
BER	Beyond Economical Repair
CLP	Current Catalogue List Price of the relevant OEM
CDR	Customer Departure Record
DICA	Deviation to Instructions for Continued Airworthiness
CPC	Engine Maintenance Provider' Capabilities and Prices Catalogue
CPT	Carriage Paid to (Incoterms 2010)
DAP	Delivered at Place (Incoterms 2010)
DER	Designated Engineering Representative
DOA	Design Organization Approval
EASA	European Aviation Safety Agency
EBU	Engine Built-up Unit
NTE	Not to exceed
EGTm	Exhaust Gas Temperature margin

EOGT	"Engine On Ground Time"
EXW	Ex Works (Incoterms 2010)
FAA	Federal Aviation Administration of the USA
FCA	Free Carrier (Incoterms 2010)
FDR	Five day rate defined by IATA
FOD	Foreign Object Damage
IPC	Illustrated Parts Catalog
IATA	International Air Transport Association
DOD	Domestic Object Damage
LLP	Life Limited Part
MHRS	Man-hours
MOE	Engine Maintenance Provider's Maintenance Organization Exposition
OEM	Original Equipment Manufacturer
PMA	Parts Manufacturer Approval
QEC	Quick Engine Change
SB	Service Bulletin issued by the relevant OEM
TAT	Turn Around Time
USD	United States Dollars
VAT	Value Added Tax
WSPG	Workscope Planning Guide

Clause and other descriptive headings used in this Agreement (other than in the Annexes if the context so requires) are for reference purposes only and shall not constitute a part hereof or affect the meaning or interpretation of this Agreement. Whenever the context so requires, the usage of the singular shall be deemed to include the plural and vice versa.

2. Services

- 2.1. Engine Maintenance Provider shall perform certain services for shop visits with respect to the Engine listed in Annex A on the terms of this Agreement and on the basis of individual purchase order described below.
- 2.2. Engine Maintenance Provider shall (a) perform the work in suitable workshops at _____ or at other location using appropriate tools and other equipment and (b) shall provide, inspect and calibrate all tooling and equipment required to accomplish the work.
- 2.3. The Customer shall not contract any engine shop visit listed in Annex A to any third party before a Shop Visit accomplishment by the Maintenance Provide without written consent from Engine Maintenance Provider. After accomplishment of a certain engine Shop Visit by the Maintenance provider obligation of the Customer to provide this certain engine for Shop Visit to the Maintenance Provider shall be considered fulfilled.
- 2.4. The Customer may increase the number of shop visits covered by this agreement at any time under the following conditions:
 - (i) the Customer provides prior written notice to Engine Maintenance Provider of its intent to do so, and
 - (ii) the Parties mutually agree in writing on changes and amendments (if any) to the present Agreement resulting from such increase.

3. Standard of Services

- 3.1. The services shall be performed in accordance with:

- a) Engine Maintenance Provider' EASA Part-145 maintenance organization approval certificate reference: _____ issued by a member of the EASA;
- b) Engine Maintenance Provider' Design Organization Approval according to EASA Part-21, subpart J, reference EASA _____ (if applicable);
- c) Appropriate manufacturers' current manual and other relevant technical publications and data published by the appropriate manufacturer or Customer;
- d) The current version of Engine Maintenance Provider Maintenance Organization Exposition and applicable supplements;
- e) The current rules and regulations of EASA and FAA as applicable;
- f) Engine Maintenance Provider's capability list;
- g) The current rules and regulations as an FAA 145 repair station, with air agency certificate number: _____ in effect at the date of executing the Agreement. approval reference _____.

4. Production Planning

- 4.1. Shop Visit shall start on the next day after the acceptance of the engine by the Contractor
- 4.2. Agreed Shop Visit Turnaround time (TAT) shall be 55 calendar days counting from the day following the acceptance of the engine by the Contractor, or less, while a shorter TAT will be an advantage.
- 4.3. The Contractor shall arrange for availability of all necessary parts and materials in its warehouse to timely perform all necessary parts and materials replacements in course of the Shop Visit and within the TAT; and the Contractor shall confirm that in no event the reason for the late redelivery of the Engine will be either a replacement part missing or an Engine-original part being repaired beyond the TAT.
- 4.4. In case of impeding TAT delay due to late return of a part from an outsourced repairer; and in lack of a used overhauled part on the market, the Contractor shall supply a factory-new Replacement Part.
- 4.5. Except for excusable delay cases, the Contractor shall credit to the Customer an agreed percentage of the NTEP ____% for each day of the TAT exceedance, without limitation of the total credit sum, regardless was such exceedance caused by a direct Contractor's fault, or by a fault of any of the third parties engaged by the Contractor

5. Purchase Order

- 5.1. Legally binding obligations to perform services under this Agreement shall only be created if Customer issues a purchase order, which is accepted by Engine Maintenance Provider as follows:

For all services to be rendered by Engine Maintenance Provider hereunder the Customer shall issue a purchase order based upon the terms and conditions as stated in this Agreement. The purchase order shall include the following details:

- a) Identification of number of the Agreement and its date;
- b) Identification of the Engine or parts thereof;
- c) Primary cause for removal and date the removal occurred of Engine removed;
- d) Secondary conditions observed by the Customer during engine trend analysis and/or as may be recorded on line maintenance discrepancy reports;
- e) Pilot complaints, maintenance complaints and/or other relevant data concerning the reason that led to the removal;
- f) Total hours and cycles accrued to date and time since last overhaul and/or last Shop Visit
- g) List with Accessories attached to the delivered Engine;
- h) Engine workscope and Engine on-wing maintenance requirement items (MPD items) and Engine testing requirement.

6. Representatives

6.1. Customers' Representative

- 6.1.1. The Customer may station up to three (3) representatives for an agreed period of time in Engine Maintenance Provider' maintenance base during the performance of the services. The Customer's representatives shall be qualified and authorized to agree to the performance of any additional work. Engine Maintenance Provider shall provide the Customer's representative with (a) appropriate office space and (b) access to communication facilities, at no cost to the Customer.

6.2. Access for Civil Aviation Authority Inspectors

Engine Maintenance Provider shall allow inspectors of the Customer's Civil Aviation Authority reasonable access to its facilities to perform audits or to inspect the work on Engines. If such inspectors require Engine Maintenance Provider to do any additional work or to alter or vary the scope of services, these services will only be provided with the prior written approval from the Customer in accordance with the terms of this Agreement.

6.3. Quality Monitoring by the Customer

The Customer may perform quality surveillance (including audits) upon Engine Maintenance Provider. The results of such surveillance shall be taken into account by Engine Maintenance Provider' quality responsible as provided for in the MOE (EASA) or the Repair Station Manual (FAA).

7. Subcontracting of Work

- 7.1. Engine Maintenance Provider may subcontract the performance of services related component repairs, certain module repair and some parts repair partially to a third party. All such subEngine Maintenance Providers shall have all requisite approvals and acceptances as an EASA and FAA Part 145 maintenance organization for the relevant services and complies with EASA and FAA 145.A.75.

In case of subcontracting, Engine Maintenance Provider is fully responsible and liable towards the Customer that the subEngine Maintenance Provider renders the services pursuant to the terms and conditions of the Agreement as well as at Engine Maintenance Provider quality standards.

Engine Maintenance Provider may subcontract any work other than for a whole Engine workscope requested under this Agreement to any of its Affiliates. Otherwise, it shall be agreed with the Customer in writing.

8. Documentation

8.1. Documentation to be Provided

The Customer shall deliver to Engine Maintenance Provider the documents and data stated in Annex C. Engine Maintenance Provider shall deliver to the Customer the documents stated in Annex C. Engine Maintenance Provider may provide hardcopies of any original document derived from electronic format in lieu of the original document.

The Customer shall ensure and warrants the conformity of all documents and data to the actual status of the Engine on the date of delivery to Engine Maintenance Provider.

8.2. Availability of Documents

All technical documents and records relating to the services provided by Engine Maintenance Provider under this Agreement which the Customer must have access to in order to satisfy the requirements of its competent Civil Aviation Authority in respect of any quality assurance matter or reliability programs shall be made available for the Customer to examine and inspect during normal business hours as the Customer may reasonably require.

9. Rates and Charges

- 9.1. All rates and charges for services and work rendered by Engine Maintenance Provider hereunder are listed in Annex B.
- 9.2. The rates and charges stated in this Agreement do not include VAT and Taxes. Where applicable, VAT shall be added to any and all sums due under this Agreement and the Customer shall pay such VAT and Taxes.

10. Invoicing and Payment

- 10.1. Payment shall be made in USD via bank wire transfer.
- 10.2. Invoicing and payment terms:

- A down payment of not more than 20% of the Shop Visit Not-to-Exceed Price (NTEP) may be payable before the Engine induction. The Contractor shall provide corresponding invoice at least business 10 days prior to the Engine induction.
- The remaining portion of the NTEP may be payable upon completion of works and before redelivery of the Engine. The Contractor shall provide corresponding invoice at least 10 business days before the planned Engine redelivery date.
- Final invoice balanced vs. the NTEP shall be paid within 30 days from a date of invoice receipt by the Customer, or later if mutually agreed by both parties. The invoice for payment should be sent by the Contractor at amd9@rossiya-airlines.com without any undue delay.

If the Contractor fails to provide any invoice in time, payment date may be rescheduled for such period. In such case the Contractor shall not postpone accomplishment of Services or withhold release of the Engine

10.3. Bank detail of the Parties:

10.4. Parties shall pay bank expenses, if any, charged by their appropriate banks. For avoidance of any doubt Parties shall not pay any bank expenses charged by a bank of the other Party

11. Taxes and Duties

- 11.1. The Customer shall bear all Taxes levied on all payments due to Engine Maintenance Provider hereunder other than taxes on income, gains or profits levied against Engine Maintenance Provider by any competent taxing authority as result of this Agreement.
- 11.2. All payments referred to in this Agreement are exclusive of any applicable VAT. The VAT treatment shall be determined pursuant to the VAT law of the jurisdiction where a taxable transaction for VAT purposes is deemed to take place. If VAT is chargeable, the Customer shall pay to Engine Maintenance Provider an additional amount equal to the VAT, upon receipt of a valid VAT invoice, provided the Customer is not obliged to self-assess VAT under the reverse-charge rule.
- 11.3. All payments by the Customer hereunder shall be made in full, free and clear of and without any deduction or withholding for or on account of any Taxes, except to the extent that any such deduction or withholding is required by law in effect at the time of payment. Any tax required to be withheld on amounts payable under this Agreement shall promptly be paid by the Customer on behalf of Engine Maintenance Provider to the appropriate governmental authority, and the Customer shall furnish Engine Maintenance Provider with proof of such payment of Taxes. Any VAT to be deducted by Customer by acting as a tax agent is to be borne by Customer, i.e. Customer shall increase the amount of the payment to be made to Engine Maintenance Provider by such amount (deducted VAT), which leaves Engine Maintenance Provider on an after tax basis, in neither a worse nor a better position than if no such deduction of VAT had been required.
- 11.4. The Parties shall do all such lawful acts and things and sign all such lawful deeds and documents as either Party may reasonably request from the other Party to enable Engine Maintenance Provider and the Customer to benefit from any applicable legal provision or any double taxation treaties with the object of Engine Maintenance Provider' enjoyment of full tax credit for amounts deducted or withheld by the Customer pursuant to paragraph 11.3. In the event that Engine Maintenance Provider is not able to fully enjoy the tax credit in its jurisdiction for amounts so deducted or withheld even after Engine Maintenance Provider completed the necessary procedures under any applicable legal provision or any double taxation treaties, the Customer shall pay the differences between (i) amounts of deduction or withholding made and (ii) the actual amounts of tax credit which Engine Maintenance Provider obtained in its jurisdiction, grossed-up by such amount which represents withholding tax not recoverable by Engine Maintenance Provider in form of a tax credit.

12. Representations and Warranties

12.1. Representations and Warranties by both Parties

- 12.1.1. Corporate Power. Each Party hereby represents and warrants that such Party is duly organized and validly existing under the laws of the state (or country or other jurisdiction, as the context requires) of its incorporation and has full corporate power and authority to enter into this Agreement and to carry out the provisions hereof.

- 12.1.2. Due Authorization. Each Party hereby represents and warrants that such Party is duly authorized to execute and deliver this Agreement and to perform its obligations hereunder and the person executing the Agreement on its behalf has been duly authorized to do so by all requisite corporate actions
- 12.1.3. Binding Agreement. Each Party hereby represents and warrants that this Agreement is a legal and valid obligation binding upon such Party and is enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and by general equitable principles and public policy.
- 12.1.4. No Conflicts. Each Party represents and warrants that the execution, delivery and performance of this Agreement by such Party does not conflict with any agreement, instrument or understanding, oral or written, to which such Party is or by which it may be bound, nor violate any law or regulation of any court, governmental body or administrative or other agency having authority over it.
- 12.1.5. Provision of Services. Each Party represents and warrants that its respective obligations pursuant to this Agreement will be carried out faithfully and carefully within the agreed specifications and timelines and in accordance with all applicable laws and regulations

12.2. Additional Representations and Warranties by Engine Maintenance Provider

- 12.2.1. The Contractor shall guarantee a minimum of 8000 FH or 24 months (whichever comes first) of the Engine operation free of workmanship defects arising from the performed Shop Visit. The Contractor's warranty shall expressly cover the workmanship of TAI, Bleed and VBV defect rectification as per Appendix 1.B. This coverage shall not be limited by any single part or component fault, but instead be applicable to whole Engine condition as per described defect, which means any reoccurrence of the same defect within warranty term shall constitute a warranty case for the Engine. Any warranty available for any Engine part or component supplied or repaired/overhauled by the Contractor, its vendors and subcontractors shall be assigned to the Customer. The warranty terms for the factory-new parts and components shall be at least 4000 FH or 12 months (whichever comes first), and at least 3000 FH or 12 months (whichever comes first) for the repaired/overhauled parts and components.
- 12.2.2. Without limiting the terms of clause 12.2.1, Engine Maintenance Provider assumes no liability of whatever nature relating to Material or parts of Engine, which (a) have only been tested and/or have been installed by Engine Maintenance Provider or (b) were declared satisfactory but have not been restored, manufactured or repaired by Engine Maintenance Provider. However, Engine Maintenance Provider shall assign to the Customer (to the extent possible and at the Customer's cost) any warranties it receives from manufacturers or suppliers of parts and Material.
- 12.2.3. If Engine Maintenance Provider cannot perform the rectification of warranty work in a reasonable time, or if the return of the Engine to Engine Maintenance Provider' facility is not reasonably practicable, the Customer may (a) do the work itself or (b) get a third party to do the rectification at Engine Maintenance Provider' expense with the prior written approval of Engine Maintenance Provider (such approval shall not be unreasonably withheld or delayed). The cost of any work done by the Customer or by any third party at Engine Maintenance Provider' expense shall be preapproved by Engine Maintenance Provider.
- 12.2.4. In addition to the above terms of this the warranty shall not be applicable:
- a) if the defective item has in the meantime been altered, repaired or overhauled by a firm other than Engine Maintenance Provider or its subEngine Maintenance Providers, unless this repair has to be performed because of necessary operational reasons;
 - b) if following a written request from the Customer, Engine Maintenance Provider was obliged to carry out a provisional repair contrary to their better judgment;
 - c) if the defective item has been subjected to misuse, neglect or accident due to non-observance of the manufacturer's instructions, or if this item and has suffered deterioration due to external causes, e.g. foreign object damage, degradation on the ground, damage due to non-observance of instructions, etc.
- 12.2.5. Standard warranty claims against the manufacturers of the Customer's Engine to be refurbished by Engine Maintenance Provider may be handled by Engine Maintenance Provider after advanced approval from the Customer. In this case for the Customer's Engine, Engine Maintenance Provider will submit to the engine manufacturer on behalf of the Customer request for services allowance forms. The benefit of all warranty credits, if any, shall be given to the Customer in currency received from the manufacturer.

13. Liability

The extent of Engine Maintenance Provider' liability to the Customer under this Agreement for breach of warranties (clause 12) and statutory liability is subject to the following limitations:

13.1. Defect Rectification

Engine Maintenance Provider shall rectify free of charge defects, failures and all downstream consequence damage of Engine caused by faulty workmanship, failed part or unit as a main reason in rendering services under this Agreement.

13.2. Time Limitation

Engine Maintenance Provider is only liable to rectify defects whichever occurs first as per clause 13.1 if such defects or failures:

- occur within eighteen (18) months or six thousand (6,000) operation hours after the date of the release note due to faulty workmanship;
- occur within twelve (12) months or four thousand (4,000) operation hours after the date of the release note due to new part failure installed at shop visit performed by Engine Maintenance Provider;
- occur within twelve (12) months or three thousand (3,000) operation hours after the date of the release note due to part failure installed used part (overhauled/repaired/inspected) at shop visit performed by Engine Maintenance Provider;

and which are reported in writing by the Customer to Engine Maintenance Provider as soon as practical and in any event within twenty (20) Business Days after the Customer becomes aware of it.

13.3. No Consequential Damages

None of the Indemnitees shall be liable for the loss of the use, revenue or profit with respect of the aircraft or any of its Engine, part or component or for any other incidental other than Defect Defects mentioned in clause 13.1 excluding Warranty obligation for EGT, specified in article 13.4.

13.4. Engine Maintenance Provider shall provide additional warranty related EGT:

A. Engine Maintenance Provider shall ensure that EGT Margin will be at least 25°C at the test cell run after the Shop Visit. The Engine Maintenance Provider shall monetary compensate for each °C below the guaranteed EGTM at the rate of TBD% NTEP . In addition, in case EGTM is 5°C or more below the guaranteed EGTM, the Engine Maintenance Provider shall re-induct the Engine at its sole cost.

14. Insurance

- 14.1. The Customer shall insure the Engine whilst held as a spare and/or in transit for its full value for all risks. In addition both Parties shall arrange insurances to support their respective obligations under clause 13, with a liability limit of not less than USD TBD and in accordance with standard industry practice. For the avoidance of doubt, the Customer shall arrange hull and spares all risk cover (the latter including transit as applicable) in addition to the liability insurance.
- 14.2. If required by either Party, the other Party shall provide evidence of compliance with clause 14.1 a form acceptable to the requiring Party. Such certification may be required by either Party as a condition of and/or prior to the commencement of work.

15. Duration / Termination

- 15.1. This Agreement shall become binding from the date both Parties have signed it and, shall remain in full force and effect for a period of two (2) years.
- 15.2. Any changes or alterations including changes of address, company name, organization approval, rating etc. must be immediately notified to another party.
- If any of the following events occur, either Party may terminate this Agreement with immediate effect by giving the other Party written notice:
- (a) The other Party is not performing any of the terms and conditions of this Agreement and such noncompliance is not remedied within thirty (30) days after written notice is given to the other Party; or
 - (b) The other Party does not pay any amount due under this Agreement on the due date within fifteen (15) days after written notice of such default has been given to the other Party, or
 - (c) The other Party becomes insolvent, makes a general arrangement or assignment for the benefit of its creditors or commits an act of insolvency or if a petition for its reorganization or the readjustment of its indebtedness is filed by or against it and such petition is not withdrawn, lifted or dismissed within thirty (30) days, or if a receiver, trustee or liquidator of all or most of its property is appointed.

In case of any above mentioned termination the Engine maintenance Provider shall complete and release engine(s), which was inducted before above mentioned terms start and the Customer shall pay accomplished service. After engine(s) redelivery and invoices for it are paid this Agreement is considered as terminated and the Parties obligation accomplished.

- 15.3. If the applicable law or its interpretation including rules and regulations of any competent civil aviation authority changes and such change has an impact on the scope of services, cost, rates and charges or Engine Maintenance Provider's ability to render the services, the Parties shall mutually agree on necessary contract adjustments. In case no agreement is reached within thirty (30) days after a Party has become aware of such change of requirements and notified the other Party thereof, either Party may terminate this Agreement by giving the other Party one (1) month written notice.
- 15.4. Either Party may terminate this Agreement at its sole discretion by giving six (6) months prior written notice to the other Party.

16. Force Majeure

- 16.1. Save for any payment default by the Customer, no delay or failure to perform by either Party shall be a default under this Agreement or give rise to any claim for any Losses including anticipated profits if caused by Force Majeure.
- 16.2. "Force Majeure" means any of the following:
- (a) an occurrence beyond the control and without fault or negligence of the affected Party and which the affected Party cannot prevent or provide against by the exercise of reasonable diligence. The term includes act of God or public enemy, expropriation or confiscation of facilities, any form of Government intervention including embargoes and sanctions, war, hostilities, rebellion, terrorist activity, local, national or regional emergency, sabotage, riots, floods, unusually severe weather conditions which could not reasonably be anticipated, fires, explosions or other catastrophes;
 - (b) strikes or any other concerted act of workmen or other similar occurrences other than strikes or concerted acts of the affected Party's workforce;
 - (c) any other matter beyond the affected Party's control.
- 16.3. Without affecting any other term of this Agreement, if either Party cannot perform any part of this Agreement because of Force Majeure, it shall be excused from liability for such failure and the time for completing any work shall be extended accordingly. The Party claiming Force Majeure shall tell the other Party if any Force Majeure event happens or is likely to happen and must use reasonable efforts to minimize the effects of any delay caused and continue with the work as soon as possible.
- 16.4. If any delay or failure in performance stated in clause 16.1 continues for seven (7) days or more, either Party may terminate this Agreement by giving the other Party seven (7) days written notice and, for the avoidance of doubt, the terms of clause 16.1 shall apply.

17. Intellectual Property

- 17.1. Title to and all intellectual property rights (including copyrights, trademarks, patents, registered design rights or design rights) in all documents or data (including plans, drawings, patterns or designs) supplied by the Customer to Engine Maintenance Provider for or under this Agreement, shall remain with the Customer or any third party which is entitled to such intellectual property right. The Customer agrees to indemnify Engine Maintenance Provider against any Losses suffered by Engine Maintenance Provider arising from any infringement of any such intellectual property rights caused by the performance of any services provided or work done under this Agreement.
- 17.2. Title to and all intellectual property rights (including copyrights, trademarks, patents, registered design rights or design rights) in all documents or data (including plans, drawings, patterns or designs) supplied by Engine Maintenance Provider to the Customer for or under this Agreement, shall remain with Engine Maintenance Provider or any third party which is entitled to such intellectual property right. Engine Maintenance Provider indemnifies the Customer against any Losses suffered by the Customer arising from any infringement of any such intellectual property rights caused by the performance of any services provided or work done under this Agreement.

18. Confidentiality

- 18.1. Unless required by law, none of the Parties shall disclose the existence of this Agreement or any of its terms to any third party (other than its professional advisers), unless necessary for the proper performance of this Agreement. If either party wishes to publicize the services provided under this Agreement, it shall obtain authorization from the other Party to do so (such authority shall not unreasonably be withheld).
- 18.2. For the purpose of clause 18.1, Engine Maintenance Provider includes Engine Maintenance Provider' Group Companies.
- 18.3. The obligations under this clause 18 shall remain in force after the termination of this Agreement.

19. Title to Parts

- 19.1. Without affecting Engine Maintenance Provider' rights under this clause 19, title to all parts and components supplied by Engine Maintenance Provider or any of its subEngine Maintenance Providers in respect of the Engine shall only pass to the Customer when the Customer has paid all amounts owed or that may become owing to Engine Maintenance Provider under this Agreement. If the parts and/or components have been installed but not paid for, Engine Maintenance Provider may remove any of them and the cost of doing so will be added to the amount due to Engine Maintenance Provider from the Customer.

20. Miscellaneous

20.1. Entire Agreement

This Agreement (including the Annexes attached hereto, which are incorporated herein by reference) sets forth all of the covenants, promises, agreements, warranties, representations, conditions and understandings between the Parties hereto with respect to the subject matter hereof; constitutes and contains the complete, final, and exclusive understanding and agreement of the Parties with respect to the subject matter hereof; and cancels, supersedes and terminates all prior agreements and understanding between the Parties with respect to the subject matter hereof. There are no covenants, promises, agreements, warranties, representations conditions or understandings, whether oral or written, between the Parties other than as set forth herein. No subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the Parties hereto unless reduced to writing and signed by the respective authorized officers of the Parties.

20.2. Unenforceability/Severability

If any term, covenant or condition of this Agreement or the application thereof to any Party or circumstance shall, to any extent, be held to be invalid or unenforceable, then the remainder of this Agreement, or the application of such term, covenant or condition to parties or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

20.3. Transferring Rights

Neither Party may transfer any of its rights or obligations under this Agreement to any third party without the other Party's prior written consent. However, Engine Maintenance Provider may transfer any of its rights and obligations under this Agreement to any Engine Maintenance Provider' Group Company.

20.4. Export Regulations

For the purpose of this clause 20.4, the word Part shall, in addition to the definition of the terms Engine, Engine Part or Engine Component, include any other kind of material, technical documentation, technology and know-how.

The Parties agree that any export of Parts pursuant to this Contract may be subject to Export Control Laws and agree to comply with any such Export Control Laws. In respect of any Part supplied under this Contract, the Party receiving the Part agrees (a) not to lease, exchange or otherwise dispose of any Part to any country, company or individual without the necessary license or authorization required by Export Control Laws and (b) not to send the Part to a person or country that is prohibited to receive such Part according to Export Control Laws without the necessary license or authorization. Engine Maintenance Provider reserves the right to withhold or suspend the supply of any Parts and/or maintenance services, in case it becomes subject to special controls under Export Control Laws.

The activities contemplated in this Contract may be subject to export control licensing requirements that may change from time to time. Each Party shall, upon request, provide reasonable assistance to the other Party in such Party's efforts to obtain any applicable export license required for its exports. Such assistance includes the execution by the Operator of Export License Undertakings and Export Compliance Statements

in a form acceptable to the relevant authorities. Engine Maintenance Provider does not guarantee the issuance of such licenses or approvals, or their continuation in effect once issued, and shall have no liability if for any reason a government authority fails to issue, renew, or cancels, any license or approval or delays in issuing or renewing any license or approval.

20.5 Anti-corruption clause

20.5.1 While performing its obligations under the Agreement, the Parties, their employees do not pay, do not offer to pay, and do not acquiesce in payment of any money or values, directly or indirectly, to any people for influencing the acts or decisions of those people so as to obtain any unfair preferences or for any other inappropriate end.

While performing its obligations under the Agreement, the Parties, their employees do not carry out any activities that in accordance with the legislation are qualified for the purposes of the Agreement as giving/taking, commercial bribery, illegal gratification, abuse of power, as well as any actions that violate applicable legal requirements and international acts on counteraction to legitimization of proceeds of crime.

20.5.2 If the Parties have any suspicion of the occurrence or possible occurrence of any violation of the provisions stipulated in paragraph 20.5.1, the corresponding Party shall notify the other Party in writing. In its written notification the Party should refer to the facts or provide materials reliably confirming or giving reason to believe that there has occurred or may occur any violation of any provisions of paragraph 20.5.1 by the other Party, its employees, which in accordance with the legislation are qualified for the purposes of the Agreement as giving/taking, commercial bribery, illegal gratification, abuse of power, as well as any actions that violate applicable legal requirements and international acts on counteraction to legitimization of proceeds of crime. Upon receipt of a written notification the Party to which it was sent, will direct a confirmation that the violation did not happen or will not happen. This confirmation should be directed within 30 calendar days from the date of receipt of the written notification.

20.5.3 In case of violation by any Party of its obligations to refrain from any actions referred to in paragraph 20.5.1, the other Party shall be entitled to terminate the Agreement unilaterally and without any judicial procedures by giving a written notice of termination. The Agreement is deemed to be terminated after expiry of 30 (thirty) calendar days from the date of receipt by the corresponding Party of a written notice of termination. The Party initiating termination of the Agreement, in accordance with the provisions of this paragraph shall be entitled to claim compensation for actual damages resulting from such termination. The compensation term amounts to 30 (thirty) calendar days after the date of receipt of the corresponding claim from the Party initiating termination of the Agreement.

20.6 In case of any dispute arising out of the text of the contract, securely bound and certified contract counterpart shall prevail.

In the event of any conflict or inconsistency between the English and Russian versions of the Contract, the English version shall prevail.

20.7 On the date of execution of this Contract, the Engine Maintenance Provider shall provide the Customer with information in the form set out in Annex E in respect to the Engine Maintenance Provider's owners (beneficiaries), including the ultimate beneficiaries, together with relevant supporting documentation (if any). During the Term, in case of any changes in the chain of the Engine Maintenance Provider's owners, including ultimate beneficiaries, the Engine Maintenance Provider shall promptly inform the Customer of such changes, and provide the Customer with relevant supporting documentation (if any).

21. Notices

21.1. All notices, correspondence and documents to be given under this Agreement must be in English. If they are not in English, they must be given with a signed English translation. If there is any difference between the English version and any version in any other language, the English version shall apply.

21.2. All notices, correspondence and documents given under this Agreement shall be given by hand or by pre-paid mail, courier or fax from the Customer addressed to Engine Maintenance Provider at:
"Engine Maintenance Provider Contacts"

All contractual notices given under this Agreement shall be given additionally as copy to:

"Engine Maintenance Provider Contacts"

and from Engine Maintenance Provider to the Customer either by notice to the Customer's representative (see clause 6) or to:

JSC "Rossiya Airlines"

Department: Airworthiness maintenance department
City: Saint-Petersburg
Country: Russian Federation
Phone: +7 (812) 6333954
Fax: none
E-Mail: contractTD@rossiya-airlines.com

21.3. Invoicing Address

Rossiya Airlines JSC
18/4 Pilotov street
St.Petersburg 196210, Russia
E-mail: amd9@rossiya-airlines.com

Payment to the Customer

All credit memos or payments from Engine Maintenance Provider to the Customer which are not set of against an invoice shall be settled by payment to:

„TBD“

Governing Law and Jurisdiction

THIS AGREEMENT IS GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF “TBD”. ALL DISPUTES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT SHALL BE BROUGHT BEFORE THE COMPETENT COURT IN THE “TBD”.

Signatures

Made and executed this _____ [MM/DD/YYYY]

ROSSIYA Russian Airlines

Engine Maintenance Provider .

Name :
Title:

Name
Title:

Name :
Title:

Name
Title:

Annex A Scope of Services and Specific Terms & Conditions

Engine Maintenance Provider shall perform Maintenance on the Customer's CFM56-7B ESN894306 Engine pursuant to specifications in the respective purchase order.

6. Perform Incoming Engine Test and provide Engine parameter records to compare it with data at final engine test.
7. Provide detailed shop findings report with photo and measurement (where applicable) of defects on Modules 23X – 33X for CFM Report.
8. Disassemble/Assemble the Engine to Major Modules:

➤ Fan Major Module

- **Shop Module 21X (Fan and Booster) – Minimum Workscope Level.**

Remove and overhaul Fan Blades. Comply with EASA AD 2018-0109/ FAA AD 2018-10-11, SB 72-1033.

- **Shop Module 22X (1&2 Bearing Support) – Minimum Workscope Level.**

Visually inspect exposed areas. Remove if necessary for core removal.

- **Shop Module 23X (Fan Frame) – Full Workscope Level.**

➤ Core Major Module

- **Shop Module 31X (HPC Rotor) - Performance Workscope Level.**

- **Shop Module 32X- 33X (HPC Stator) – Full Workscope Level.**

Replace Inner bushings, shrouds, outer bushings and washers to comply with SB 72-0673 (Cat 7) Introduction of New Metallic-Composite VSV Bushing. Remove rear stator and inspect exposed areas. Blend / replace vanes as inspected. Replace honeycomb seals with overhauled/new ones. SB 72-0581, SB 72-0665, SB72-0673. Inspect VSV and VBV System.

- **Shop Modules 41X (Combustor Case) - Minimum Workscope Level.**

Fuel nozzles overhaul. Replace honeycomb with a new or refurbished Seal. Visually inspect inside Fuel Manifolds for presence of coke (carbon). Visually inspect exposed areas.

- **Shop Module 42X – Full Workscope Level.**

Overhaul of combustor, replace TBC. Inspect liners and dome for cracks, burn through and missing material. Repair if necessary. Apply SB 72-694 if not PCW.

- **Shop Module 51X (HPT Nozzle) - Full Workscope Level.**

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

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

Inspect Module per modular ESM 72-00-53 inspection. Restore HPT Shroud if necessary. Replace LPT Stg 1 Nozzles in case of cracks.

➤ LPT Major Module

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

Do not remove module from major LPT module. Inspect exposed areas.

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

Do not remove module from major LPT module. Inspect exposed areas. Inspect the No. 4 and No. 5 Bearings per modular level and replace if necessary.

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

Do not remove module from major LPT module. Inspect exposed areas.

➤ IGB

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

➤ TGB

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

➤ AGB

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

9. Comply with AD 2002-13-03 (EASA 2002-0390-IMP), AD 2011-18-10, AD 2018-10-11, EASA AD 2018-0109.

Comply with CFM56-7B SBs 72-0581, 72-0665, 72-0673, 72-694, 72-0904, 72-0971, 72-1033, 73-0132, 73-0138 (including HMU and Fuel Nozzles Overhaul), 73-0192 and check SB updates

Defect Description

On 07-10-2015 during climb the Caution “Bleed Trip Off Left” comes on left engine. Cause: crack on the Bleed duct 5 stage and following Bleed System components damages (PRSOV, High Stage Valve, Bleed Air Overtemp Sens).

On 14-06-2016 during VBV Ring Guide Pads Inspection (TASK 75-32-00-200-801-F00) was found loosening parts of VBV ring guide (P/N 340-079-604-0), that block VBV ring. Loosen guide pads was removed.

On 20-07-2016 during maintenance were found:

- 7) Ruptured Anti-Icing Duct of ENG in upper strut (P/N 332A2390-43)
- 8) Precooler control Valve Shaft has a free play (P/N3289562-5)
- 9) PRSOV Shaft has a free play (P/N 3214552-5)
- 10) Harness J10 is burned off (P/N 325-043-502-0)
- 11) Bleed Air Regulator has a crack (P/N 107492-50)
- 12) Upper STRUT (12 o'clock) was found with signs of overheat (discoloration) and suspect crack on CTAI Duct.

In defect rectification process it was found cracking and fracture of the DUCT ASSY - CTAI p/n 332A2390-45 (IPC 30-11-31-05A Item 20). NOTE: this is the third event with CTAI DUCT fracture on ESN 894306 at 1,5 over past year ! Preceding defect was accompanied with signs of heat damage / discoloration of 12 O'CLOCK ENG STRUT ASSY p/n 332A2371-4 and HARNESS J10 P/N 325-043-502-0. CTAI DUCT ASSY HAVE BEEN REPLACED DURING HOSPITABLE SV AT S7(SRT) BASE AT NOV 2016.

AVM shows: HPT from 5.1 to 5.64 UNIT N1=34,%, 36%, 88% from time to time.

Action - No. 1 bearing vibration sensor T332 (sensor failure not confirmed – deactivated for TBS).

MSG: 75-10391 (VSV POSITION SIGNAL) OF. TBS PFMD IAW FIM 75-31 TASK 803 AMM TASK 72-32-00-200-801-F00 HPC Front Stator Inspection insufficient RESULT:

1- Look for damage to the Front Stator Case HAS BEEN PFMD. RESULT- DISCREPANCIES NOT FOUND.

2- Look for damage to the actuation rings HAS BEEN PFMD. RESULT- Missing bushings (30 PIECES) on Stages 1, 2 and 3.

3- Look for damage to the connecting links HAS BEEN PFMD. RESULT- DISCREPANCIES NOT FOUND.

4- Examine the bellcrank assemblies (two locations) HAS BEEN PFMD. RESULT- DISCREPANCIES NOT FOUND.

5- Look for damage to the IGV and stage 3 lever arms HAS BEEN PFMD. RESULT- variable stator vanes HAVE radial and side motion (FREEPLAY) IN STATOR VANE AND WE hear metal-to-metal contact (not permitted IAW AMM SUBTASK 72-32-00-220-002-F00 R61.

15.OCT.2016 If you hear metal-to-metal contact IN stage 1 and 2 lever arms, replace the engine). HAVE BEEN PARTIALLY FIXED DURING HOSPITAL SV AT S7(SRT) BASE AT NOV 2016.

6- Look for damage to the stage 1 and 2 lever arms HAS BEEN PFMD. RESULT- variable stator vanes HAVE radial and side motion (FREEPLAY) IN STATOR VANE AND WE hear metal-to-metal contact. IAW AMM SUBTASK 72-32-00-220-002-F00 R61. 15.OCT.2016 If you hear metal-to-metal contact IN stage 1 and 2 lever arms, replace the engine. HAVE BEEN PARTIALLY FIXED DURING HOSPITAL SV AT S7(SRT) BASE AT NOV 2016.

Accessories LRU&QEC Workscope

Inventory check, GVI for all LRUs as removed or installed.

EGT Margin guaranty

A Guaranteed EGT Margin at 26K thrust should be at least **40°C** at the Test Cell run after the Shop Visit. A higher Guaranteed EGTM will be an advantage.

The Contractor shall monetary compensate for each °C below the offered 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 to restore the EGTM.

Within 30 days upon Engine release, the full and complete set of the Shop Visit 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.

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

All Engine parts scrapped in course of the Shop visit shall remain the property of the Customer, and shall be stored at Engine Maintenance Provider's facility free of charge for not less than 12 months after corresponding Engine redelivery and until additional notification by the customer.

Engine storage at the Engine Maintenance Provider's facility after any of Shop Visits shall be free of charge for up to and including 30 days after the Engine release date.

Engine transportation to and from the Engine Maintenance Provider's shop location shall coordinated with Customer's Logistics Department in advance of Engine dispatch.

Preparation, packaging and transportation requirements

All transportation shall be performed in accordance with Incoterms. For avoidance of doubt on all shipments to and from the Customer, the Customer shall be the importer and exporter of record of any destination other than Engine Maintenance Provider Facility.

For the purposes of Engine transportation from Sharjah International Airport, UAE to the Engine Maintenance Providers' shop and back (or another return location advised by the Customer), upon Customer's request and subject to availability of that, the Engine Maintenance Provider shall provide the Customer with an appropriate engine transportation equipment (base & cradle) on a free-of-charge basis, for the period not exceeding 30 calendar days for either direction of Engine transportation.

Transportation shall be performed in accordance with Incoterms 2010. Delivery to Engine Maintenance Provider shall be DAP – agreed delivery location, Redelivery to Customer shall be on FCA terms – agreed collection location.

Engine transportation to and from the Engine Maintenance Provider Shop location shall be coordinated with Customer's Logistics Department in advance of the Engine dispatch.

Annex B Rates and Charges

The NTEP for the Appendix 1.A Workscope shall not exceed **2 200 000.00 USD** (while the lesser NTEP will be an advantage), and shall cover:

3.7.1. Labor and Services:

- Engineering support services such as Workscope customization, SB evaluation and implementation recommendation
- Engine incoming inspection
- Performance of as-received test of the Engine, if requested by Customer
- Engine Components and parts removal and reinstallation (including LRU, QEC).

- Engine disassembly
- Engine Modules disassembly (where applicable per Workscope)
- Cleaning, Non-Destructive Testing and inspection of Engine Parts
- Labor for in-house Engine Parts repair (where the Contractor has in-house capabilities)
- Labour for outsourced Engine Parts repair
- Labour for SB and AD incorporation as required per Appendix 1.A Workscope
- Labour 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 incoming test with documented parameters
- Engine performance Test Cell run, incl. Test Cell usage, Engine preparation for the test, and Engine components operational check during Engine performance test run.
- Full and complete Video Borescope inspection accessing all available BSI ports. Provision to the Customer of a written BSI Report and DVD video ensuring that all stages of the Booster, HPC, HPT, LPT (with all visible Blades inspected both L/E and T/E Tip to Root) and Combustion Section (incl. Fuel Nozzles, Inner & Outer Liners, CC dome and HPT NGV's) are captured on the video, and the measurements or any damage found are recorded on DVD.
- Engine final inspection and preparation of Engine documentation.
- Engine preservation.
- Engine preparation for shipment.
- All the additional works resulting from Workscope and inspection but not leading to the Workscope extension.
- Any handling charges incurred in connection with the Shop Visit.

3.7.2. Material

- Scrapped Engine Parts required to be replaced in full and the applicable handling fees.
- 100% of all exposed Airfoil material (including HPC Blades and Vanes, HPT Blades and Vanes, HPT Shroud, LPT St.1 NGVs, No. 4 and No. 5 Bearings), repair or scrap replacement as required per Workscope, including applicable handling fees.
- Material for Engine Parts in-house subcontracted repair and applicable handling fees.
- Procurement of exchange Engine Parts and applicable exchange and handling fees.
- Oil & fuel for Engine performance Test Cell run.
- Material for SB and AD as required per Appendix 1.A Workscope.
- Material for incorporation of Cat 1 through 3 SBs if applicable.
- All the required Consumables and Expendables.
- Parts and material for all the additional works resulting from Workscope and inspection, but not leading to the Workscope extension.

3.7.3. Components

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

3.8. The following shall be excluded from the NTEP, and shall be charged upon Time & Material cost in the Final Invoice:

- Cost of any replacement LLP material.
- Any additional work and material not covered in the sub clause 3.1 and Appendix 1.A Workscope.
- Any works and material required for TAI, Bleed and VBV defect rectification as per Appendix 1.B.

3.9. Annual escalation of the NTEP shall not exceed 2,6 %

3.10. Time & Material rates for all works not covered by the NTEP shall 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

3.11. Material Support

- There should be engine parts and material support during maintenance event.
- The Contractor shall provide material storage facility to support the Shop Visit
- All new spare parts shall have certificates such as EASA Form 1 or FAA 8130-3.
- All repaired/overhauled spare parts (including any LLP material 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.
- Engine Parts shall be subject to the 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, proposed for installation in the Engine (Replacement Parts). Such Replacement Parts shall have been overhauled; be in as good an operating condition as removed parts; and have a value, utility and remaining useful life at least equal to removed parts. The Replacement Parts shall have all historical "back-to-birth" records ensuring full traceability of such parts as well as NIS and No-PMA/DER Statements from all operators. In case Lessor does not approve a Replacement Part proposed by the Contractor for any reasons (missing paperwork

etc.), the Contractor shall continue searching for an acceptable Replacement Part and propose any available options for review. In case the Contractor is not able to procure a Replacement Part that meets Lessor's requirements, Contractor shall purchase and install in the Engine factory-new Replacement Part. Alternatively, the Customer shall have a right to purchase from the market any Replacement Parts by its own and supply it to the Contractor. The Contractor then shall deduct the actual cost of such Customer-supplied Replacement Parts from the final invoice.

- 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.
- All scrapped Engine parts after the Shop Visit shall remain as property of the Customer and shall be stored free of charge until additional notification but not more than for 12 months.

Annex C Documentation

Will be provided separately

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

https://www.dropbox.com/sh/8isych9qg8a3kjt/AAB_J-GltSyAaWaASG-C-otla?dl=0

Annex E
to the repair agreement

INFORMATION FORM																	
N o	Name of the counterpart					Contract (Bank requisites, Subject Matter, Total Amount, Validity)					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 organisations)	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																	
2																	
3																	

authorized representatives of _____

Date: «__» _____

“ROSSIYA AIRLINES” Joint Stock Company
General Director

_____ Dmitrii Saprykin

Date: _____

Provider

Date: _____

ИНФОРМАЦИЯ О КОНТРАГЕНТЕ

№ п/п	Наименование контрагента (ИНН, вид деятельности)						Договор (реквизиты, предмет, цена, срок действия и иные существенные условия)					№ п/ п	Информация о цепочке собственников контрагента, включая бенефициаров (в том числе конечных)						
	ИНН	ОГРН	Наименование контрагента	Код ОК ВЭ Д	Фамилия, имя, отчество руководителя	Орган и номер документа, удостоверяющего личность руководителя	Номер и дата	Предмет договора	Цена (млн. руб.)	Срок действия	Иные существенные условия		ИНН	ОГРН	Наименование/ ФИО	Адрес регистрации	Серия и номер документа, удостоверяющего личность (или физическое лица)	Руководитель/ участник/ акционер/ бенефициар/ данные об Подрядчике органа	Информация о подтверждающих документах (наименование, реквизиты и т.д.)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
1												1							
												1.							
												1.							
												2							
												2							

Примечание: 1.1, 1.2 – собственники контрагента по договору (собственники первого уровня); 1.1.2, 1.2.1 и т.д. – собственники организаций 1.1, 1.2 (собственники второго уровня) и далее – по аналогичной схеме до конечного бенефициарного собственника.

_____ (ФИО) /дата/

M.П.

Appendix 1 to the Contract _____
Sample

INFORMATION ABOUT CONTRACTUAL COUNTERPARTY

Item No.	Counterparty designation (INN, Activities Type)						Contract (details, subject, price, validity period, and other material terms and conditions)					Item No.	Information about counterparty owners chain including beneficiaries (including ultimate ones)						
	Taxpayer Identification Number (INN)	Principal State Registration Number (OGRN)	Counterparty designation	Russian Classification of Economic Activities (OKVED) Code	Full name of CEO	Authority and number of CEO ID document	Number and date	Subject of the Contract	Price (RUB, mln)	Validity period	Other material terms and conditions		Taxpayer Identification Number (INN)	Principal State Registration Number (OGRN)	Designation / Full name	Registration address	Series and number of ID document (for individual)	CEO/member / shareholder/beneficiary/ details about the Seller	Information about support documents (title, details, etc.)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
1												1							
												1.1							
												1.2							
												2							

Note: 1.1, 1.2 – owners of the contractual counterparty (first level owners); 1.1.2, 1.2.1, etc. – owners of entities 1.1, 1.2 (second level owners) and further according to the similar chart up to the ultimate beneficiary

_____ (full name) /date/

Stamp

СПЕЦИФИКАЦИЯ/SPECIFICATION (ОБРАЗЕЦ/SAMPLE)

Настоящее **Спецификация 1** вступает в силу с момента подписания обеими Сторонами и составляет неотъемлемую часть договора № _____ от _____. This **Specification 1** becomes valid, being signed by both Parties and constitutes an integral part of the Contract № _____ from _____.

Наименование Description	Цена за ед. Price for unit	Общая стоимость Total price
-----------------------------	-------------------------------	-----------------------------------

Условия оплаты (если применимо)/Payment terms (if applicable):

Счета выставляются в _____ с переводом по курсу _____ (если применимо)/

Invoices shall be issued in _____ in accordance with exchange rate _____ (if applicable)

Условия доставки/Terms of delivery:

Срок исполнения/ Period of execution:

Подписи сторон:

От имени АО «Авиакомпания «Россия»: От имени TBD:

Имя: _____ Имя: _____
— —

Должность _____ Должность _____
: — :

Подпись: _____ Подпись: _____
— —

Дата: _____ Дата: _____
— —

Signatures of the Parties

For and on behalf of JSC Rossiya airlines For and on behalf of TBD:

Name: _____ Name: _____

Title: _____ Title: _____

Signature: _____ Signature: _____

Date: _____ Date: _____

ЗАКАЗ/ ORDER

Appendix 3 to the Contract _____
Приложение 3 к Договору _____
Образец/Sample