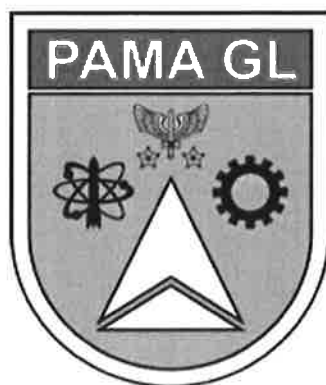




ANNEX III

GALEÃO AERONAUTICAL MATERIAL DEPOT (PAMAGL)

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CONTRACT [NUMBER]/PAMAGL/2018

INVITATION FOR BID 181301/CABW/2018

CELOG PAG 67101.000321/2018-84

BACW PAG 67102.181301/2018-95

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OFFICER / Rank
CONTRACT MONITOR

OFFICER /Rank
PAMAGL internal Control Agent.



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CELOG PAG Nº: **67101. 000321/2018-84**
BACW PAG Nº: **67102.181301/2018-95**
CONTRACT Nº **NUMBER]/PAMAGL/2018**

LOGISTIC SUPPORT TO C-130 AIRCRAFT, EXCLUDING FULL T56A-15 ENGINES, AND AERIAL FUELING (REVO) SYSTEM AND MODULAR AIRBORNE FIRE-FIGHTING SYSTEM (MAFFS), INCLUDING THE PERFORMANCE OF MAINTENANCE SERVICES, REPLACEMENT OF EQUIPMENT, PERFORMANCE OF REPAIRS AND REPLACEMENT OF EQUIPMENT AND COMPONENTS, BETWEEN THE FEDERAL UNION, REPRESENTED HEREWITH BY THE GALEÃO AERONAUTICAL DEPOT, AND COMPANY [COMPANY NAME]

The Federal Government, through the **GALEÃO AERONAUTICAL DEPOT (PAMAGL)**, located at Rua Alfredo Rocha, 495-Ilha do Governador CEP 21,941-580-Rio de Janeiro, RJ, Brazil represented by Brig Eng. **JORGE LUIZ FERNANDES CERQUEIRA FERNANDES**, in the exercise of his legal attributions, as per Directive. 50, issued by the Air Force Ministry on January 29, 1953, and in accordance with Art. 61 Law Nº 8,666/93, henceforth referred to as the **CONTRACTING PARTY** and company [CONTRACTED PARTY NAME], located at [ADDRESS], ZIP CODE [ZIP CODE], [State], henceforth referred to as the **CONTRACTED PARTY**, represented by Mr. [LEGAL REPRESENTATIVE] bearer of ID Card N [NUMBER], and based on PAG 67102.181301/2018-95, as well as on the final outcome of Bid Nº. **181301/BACW/2018**, according to the principles of Brazilian Law Nº 8,666/93, Decree Nº 2,271/1997, Normative Instruction SLTI/MPOG Nº 2, 2008, and other related legislation, decide to stipulate this **CONTRACT** and execute this agreement, in according with the following terms and conditions:

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1. DEFINITIONS

1.1. In order to facilitate comprehension of terminology and simplify the composition of the text, the following abbreviations and phrases were adopted, with the meanings provided beside them:

- 1.1.1. ANAC- National Civil Aviation Agency, Brazilian Aeronautical Authority.
- 1.1.2. BER- Beyond Economic Repair, i.e. economically inviable repair.
- 1.1.3. BACW- Brazilian Aeronautical Commission in Washington, DC; (CABW)
- 1.1.4. CELOG- Aeronautical Logistic Center;
- 1.1.5. COMAER- Aeronautical Command;
- 1.1.6. COMREC- Goods and Services Receipt Commission, comprised of at least three members who, through the Contracting Management Unit, which represents the Aeronautical Command before the CONTRACTED PARTY, are tasked with receiving the object, whether material or services, as per ICA 65- 8/2009 and ICA 12-23/2014;
- 1.1.7. CONTRACTED PARTY- Winning Bidder in the Bidding Process, after issue of ratification (“Homologation”) and Bid Award (“Adjudication”);
- 1.1.8. CONTRACTING PARTY- The Brazilian Federal Union-Aeronautical Command, represented by the Material Depot of Galeão (PAMAGL), the military organization under the Brazilian Air Force (FAB), subject to the Directorate of Aeronautical and Warfare Material (DIRMAB), which is responsible for logistic support to C-130 aircraft;
- 1.1.9. CONTRACT- The agreement which the Public Administration (CONTRACTING PARTY), acting in this capacity, signs with other Administrative Body (CONTRACTED PARTY), for the purpose of contracting the aeronautical services contemplated here under the conditions established by the Public Administration itself. Within the scope of this document, it is referred to the future contract to be signed between the CONTRACTING PARTY and the CONTRACTED PARTY;
- 1.1.10. CREA – Regional Engineering Council-Council responsible for checking and inspecting the exercise of the engineering profession and the activities related to it;
- 1.1.11. DIRMAB- Directorate of Aeronautical and Warfare Material;
- 1.1.12. DOU- Official Gazette;
- 1.1.13. EASA- European Aviation Safety Agency;
- 1.1.14. FAA – Federal Aviation Agency;
- 1.1.15. FAB- Brazilian Air Force;
- 1.1.16. FINDINGS – Non-conformities found during the inspection of an aircraft or equipment, requiring corrective measures which are not scheduled in routine inspection logs for said aircraft and equipment;
- 1.1.17. MONITOR – Administration Agent especially appointed as its representative to monitor and oversee Contract performance, whereby the sub-contracting of third parties is permitted to assist and provide information pertaining to its duties in the situations in which his technical knowledge is not sufficient to perform them;
- 1.1.18. MONITORING: Generic term for the activity exercised by the Administration Agent acting as Contract Monitor, or by a specifically and systematically appointed Commission, for the purpose of verifying compliance with contractual provisions and with complementary orders issued by the Administration regarding Contract Execution, in all its aspects, for the

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purpose of identifying deviations and taking corrective measures, or- when outside of its sphere of competence, forwarding them to a higher-ranking authority;

1.1.19. CONFIDENTIAL INFORMATION- Any information and data, of a commercial or industrial nature, or pertaining to technical projects, for current enterprises or others under development by the parties, as well as any other data, texts, correspondence and information disclosed orally or visually, regardless of the means through which it is conveyed.

1.1.20. ICA- Aeronautical Command Normative;

1.1.21. IG – General Index- Evaluation of the most advantageous proposal to the Administration, in which all technical aspects (IT) and financial aspects (IP) are taken into consideration;

1.1.22. IP- Price Index- Evaluation Method for the Financial Aspects presented in each Bidder's Price Proposal. Price Index shall be weighted at 60%;

1.1.23. IT- Technical Index- Evaluation Method for the technical aspects presented in each Bidder's Technical Proposal. Technical Index shall be weighted at 40%;

1.1.24. INPP- Depot-Level Scheduled Inspection, equivalent to the Maintenance Plan PDM Inspection established by USAF;

1.1.25. INCOTERMS 2010- Set of international rules for the interpretation of the most commonly used trade terms in foreign trade, defining the start and end points of responsibilities between buyer and seller;

1.1.26. INVOICE or COMMERCIAL INVOICE- A document equivalent to a bill of sale or trade bill which, in foreign countries, it is supplied along with the material purchase or service provided, showing material specifications or service description, as well as their quantities, unit and total prices, in addition to the weights and other information deemed essential for SISCOMEX. It is considered the most important document for customs clearance by the importer because it contains all the elements concerning export operation;

1.1.27. MAFFS- Modular Airborne Fire-Fighting system

1.1.28. Brazilian Law N° 8.666: Law dated June 21, 1993, governing art. 37, Line XXI, of the Federal Constitution [of Brazil], establishes rules for the Public Administration's solicitations and contracts, and provides other guidelines. It establishes general rules or norms on administrative contracts and solicitations relating to projects, services, including advertising, purchases, divestments and rentals within the scope of the Powers of the Union, its States, Federal District and Municipalities;

1.1.29. BIDDER- Company submitting a proposal to the Bidding Process;

1.1.30. PAAI- Formal internal administrative process consisting in the log of all acts and inquiries into the administrative events, which are necessary to clarify and review judgments by the Competent Authority, allowing due process, and possibly culminating in the application of the administrative sanctions established by Law;

1.1.31. PAMAGL- Galeão Aeronautical Material Depot- CONTRACTING PARTY

1.1.32. PO- PURCHASE ORDER - It is a foreign Purchase Order, equivalent to a Funds Allocation Bill or proceeds allocation document in Brazil. It serves as a guarantee that there is sufficient funds to liquidate the commitment undertaken; it is the first step of a public budget expenditure;

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- 1.1.33. REVO- Aerial Fueling System;
- 1.1.34. SCRAP- Equipment or component deemed scrap, due to the technical impossibility of recovery, or to its economic inviability
- 1.1.35. CONTRACT CONCLUSION STATEMENT- Document prepared by the CONTRACT Inspector upon closing the contract due to its partial or full execution.
- 1.1.36. FINAL RECEIVING CERTIFICATE (TRD)- detailed document, issued by the a member of the Administration, individually or as part of a team, appointed by the competent authority, to document final acceptance of the Object of the Contract (goods or services), further to verification of compliance with all terms set forth in the bidding process and/or in documents executed by the Public Administration (contracts, partnerships, agreements, amendments, amendment terms, or other similar documents) with third-parties or agencies or entities of the Administration itself;
- 1.1.37. TEMPORARY RECEIVING CERTIFICATE (TRP)- detailed document, issued by a member of the Administration, individually or as part of a team, appointed by the competent authority, to document temporary acceptance of a contract step (or steps), after verifying good or service compliance with the specification set forth in the bidding process and any documents executed by the Public Administration (contracts, partnerships, agreements, amendments, amendment terms, or other similar documents) with third-parties or agencies or entities of the Administration itself;
- 1.1.38. TPT- Third Party Transfer-document for transfer of ownership to third parties.

2. CLAUSE- OBJECT

2.1. Maintenance of C-130 aircraft , for the provision of logistical support services for 12 (twelve) aircraft, excluding full T56A-15 engines, Aerial Fueling (REVO) and Modular Airborne Fire-fighting System (MAFFS), including the execution of maintenance services, the replacement of equipment, repair and replacement of equipment as per technical specifications and quantities set forth in BASIC PROJECT PLAN N° 001/SDFC/2018 BSC, Annex I.

2.2. For reasons pertaining to operation and contract execution, the Object of this CONTRACT shall be divided into modules.

2.2.1. **MODULE 1:** Performance of ISOCHRONAL maintenance services and correction of non-conformities associated with natural wear and tear (findings), provision of specialized labor and supply of all repairable, consumable and workable material for FAB C-130 aircraft, including inspection logs for complete engines and REVO, as per maintenance plan established by USAF (United States Air Force). The performance of this module shall be assessed based on the execution time of each ISOCHRONAL maintenance service, compared to the time established in the maintenance manuals on which the USAF's maintenance plan is based. POA

2.2.2. **MODULE 2:** Supply of mandatory and prospective spare parts, and replacement of equipment and components, classified as repairable or workable, as per USAF manuals for the maintenance of C-130 aircraft which may be necessary in scheduled pre-flight, inter-flight and post-flight maintenance and HSC, as well as unscheduled maintenance arising from normal wear and tear of the material, which will be performed by FAB's operational

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teams, including the installation of full engines and REVO system on the aircraft, whereas specific material for the installation of full T56-15 engines, REVO and MAFFS system is excluded. The performance of this module shall be assessed based on the supply time of mandatory and prospective spare parts, as well as on Turnaround Time (TAT), compared to the time presented in the Price Proposal

2.2.3. MODULE 3: Performance of scheduled PDM services, as well as unscheduled maintenance, caused by events beyond FAB's control, such as lightning strike, hard landing and bird strike, including structural repairs, and the provision of specialized labor, as well as of all repairable, consumable and workable material for the Brazilian Air Force's C-130 aircraft, including inspection logs for full engines and REVO, as per USAF Maintenance Plan and Manuals. This module shall be executed upon demand (Time & Material – T&M), further to a formal request from the CONTRACTING PARTY, submission of a budget and payment of the specific invoice for the approved service, taking into account that performance shall be assessed based on execution time of each maintenance activity compared to time advised in USAF Manual, for PDM, and in the quote, in case of unscheduled maintenance.

2.2.4. MODULE 4: Supply of mandatory and prospective spare parts, and replacement of equipment and components, classified as repairable or workable, required per USAF Manuals for the maintenance of C-130 aircraft which may become necessary in scheduled pre-flight, inter-flight and post-flight maintenance and HSC, as well as in unscheduled maintenance, which may become necessary due to damages caused by incorrect or inadequate operation, performed by FAB teams and to be used by FAB's operational teams, to make the aircraft available, including the installation of full engines and REVO systems on the aircraft, whereas specific material for the installation of full T56-15 engines, REVO and MAFFS system is excluded. This Module shall be performed upon demand (Time & Material – T&M), further to a formal request from the CONTRACTING PARTY, submission of a quote and payment of the specific invoice for the approved supply, taking into account that performance shall be assessed based on supply time for mandatory and prospective spare parts, as well as on Turnaround Time (TAT), compared to the time advised in the estimate.

2.3. By choice and in the interest of pursuing the most advantageous proposal for the Administration, the CONTRACTING PARTY may provide the materials to be used in the services, in which case their value shall be deducted from the cost of services provided, and may not affect taxes, fees or any other costs charged over price of supplied materials.

2.4. For all intents and purposes, the following ANNEXES are an integral part of this CONTRACT, regardless of whether they exist or not, they are noted below:

- ANNEX A- BASIC PROJECT PLAN;
- ANNEX B- CONTRACTED PARTY'S PRICE PROPOSAL; and
- ANNEX C- PAYMENT AND DELIVERY SCHEDULE.
- ANNEX D – CONTRACT COPY IN PORTUGUESE

2.5. The performance regime for the services contemplated by this CONTRACT must fall under the indirect execution, and under a **unit price** type, as the demand for different modules may arise at different times, and in different amounts, as per ANNEX A- BASIC PROJECT PLAN.

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3. CLAUSE-CONTRACT EXECUTION

3.1. The CONTRACT must be performed through indirect execution and based on the **unit price**.

4. CLAUSE – LANGUAGE

4.1. It is hereby agreed between the parties that the language for this CONTRACT, for the purposes of its records, correspondence, and any other matter, shall be **English**, with a translation **into Portuguese**, which shall form an integral part of the Contract, as per **ANNEX D** replicating the same content and featuring the same signatures from both parties and witnesses.

5. CLAUSE- CONDITIONS FOR THE PROVISION OF SERVICES

5.1. The services must be performed by the CONTRACTED PARTY as described in this document and the BASIC PROJECT PLAN.

5.2. The CONTRACTED PARTY must maintain all required qualification conditions throughout the Bidding process and throughout the validity of this CONTRACT.

6. CLAUSE- OBLIGATIONS

6.1. In addition to the provisions in the BASIC PROJECT PLAN, the CONTRACTED PARTY commits to the following:

6.1.1. It is emphasized that the CONTRACTED PARTY is subject to the obligations below as per item 16.2 of the Basic Project Plan, ANNEX A.

6.1.2. Perform all services in accordance with the specifications provided in the BASIC PROJECT and on its proposal, with the resources necessary to the fulfillment of the instructions provided in the INVITATION FOR BID;

6.1.3. Strictly comply with all specifications and instructions contained in the INVITATION FOR BID;

6.1.4. Take full responsibility for the supply of contracted materials and services;

6.1.5. Ensure the supply of all materials and/or equipment necessary for the fulfillment of contractual obligations;

6.1.6. Take full responsibility for the selection, qualification, transportation, meals, accommodation, employment contracts and termination of contracts for its employees, as well as for the CONTRACTED PARTY's judicial standing before labor authorities, transportation authorities and insurance. The CONTRACTED PARTY'S failure to fulfill the obligations established in this CONTRACT does not make the CONTRACTING PARTY responsible for any payments;

6.1.7. Accept liability, furthermore, for damages caused to the CONTRACTING PARTY, through the services provided by the CONTRACTED PARTY'S employees or appointed agents;

6.1.8. Provide all clarification requested by the CONTRACTING PARTY, immediately investigating any complaints;

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- 6.1.9.** Replace, at no cost to the CONTRACTING PARTY, all equipment or material supplied in a damaged state in any way or due to damages caused by improper handling by the CONTRACTED PARTY's employees, or that might have been rejected in inspection tests;
- 6.1.10.** Transport, handle and warehouse, with adequate care, avoiding shocks, impact or breakage, all material used during the service, specifically taking care of material prone to damage due to heat, light and humidity, and which must be stored in an adequate environment for its protection, up until time of use;
- 6.1.11.** Accept full civil responsibility for any and all material damages and losses caused by action or omission of the CONTRACTED PARTY'S contracted employees, workers, agents or representatives, whether intentionally or not, before the Aeronautical Command or third parties;
- 6.1.12.** Employ skilled workers, with basic knowledge of the services to be performed in conformity with current rules and regulations;
- 6.1.13.** Take responsibility for all labor, social and tax contributions, as well as for any other direct and indirect obligations set forth in specific legislation. Non-compliance with any of these obligations does not imply their transfer to the CONTRACTING PARTY;
- 6.1.14.** Train its employees regarding the importance of following the directives provided by the CONTRACTING PARTY, including as regards norms and regulations established by the OM [military organization], if applicable;
- 6.1.15.** Maintain, throughout CONTRACT duration, consistency with obligations undertaken and all qualification conditions required during the Bid;
- 6.1.16.** Not transfer to third parties, in any form, not even in part, any responsibilities undertaken;
- 6.1.17.** Accept responsibility for any costs associated with possible quantitative and calculation errors on its Proposals, including variable costs associated with future and uncertain events, accepting responsibility to cover items initially included on its Proposals, which turned out to be insufficient to perform the object of this bidding process;
- 6.1.18.** The CONTRACTED PARTY shall be responsible for providing all services, which must comply with the CONTRACT and the BASIC PROJECT PLAN;
- 6.1.19.** Not perform any extra services before providing an estimate cost, which must be officially approved by the CONTRACTING PARTY;
- 6.1.20.** Appoint a responsible manager to globally administer activities, services, inspecting the CONTRACT and interacting with the MONITORING team;
- 6.1.21.** Fulfill all CONTRACT timelines;
- 6.1.22.** Fulfill all requirements by the CONTRACTING PARTY, especially those pertaining to timeframes, performance and the completion of contracted services, as well as the requirements related to priority services, emergency services and services with special timeframes;
- 6.1.23.** Observe Military Organizations office hours, as convenient for them, or based on any requested change, communicating/requesting changes to office hours from the MONITORING team with at least 24 (twenty-four) hours' notice;
- 6.1.24.** Accept responsibility for any complaints, and financial onus arising from any judicial processes, or damages directly or indirectly caused by the CONTRACTED PARTY, which

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may be claimed against the CONTRACTING PARTY by third parties;

6.1.25. Use adequate equipment and hardware, to enable correct service execution, using safe and efficient work methods;

6.1.26. The CONTRACTED PARTY is forbidden from disclosing to third parties any information on the nature or progress of material delivery contemplated by this CONTRACT, as well as notifying the written or spoken press, including television and/or any other means of public disclosure, except with explicit consent from the CONTRACTING PARTY.

6.2. The CONTRACTING PARTY, with assistance from the MONITORING team, duly appointed to this end, shall be obligated to:

6.2.1. It is emphasized that the CONTRACTING PARTY is subject to the obligations described below in accordance with item 16.1 of the Basic Project Plan, ANNEX A.

6.2.2. Appoint a RECEIPT COMMISSION (COMREC), via internal document, for the quantitative and qualitative receipt of the Object of the CONTRACT;

6.2.3. Provide all conditions to enable the CONTRACTED PARTY to perform the services, in accordance with the provisions of the CONTRACT, INVITATION FOR BID and their ANNEXs, specifically the BASIC PROJECT PLAN;

6.2.4. Demand the fulfillment of all obligations undertaken by the CONTRACTED PARTY in accordance with the provisions set forth in the BASIC PROJECT PLAN, in the CONTRACT, and in the terms and conditions of its proposals;

6.2.5. Exercise oversight over all Administration agents specifically appointed to this task, who may record any flaws encountered;

6.2.6. Notify the CONTRACTED PARTY in writing of any irregularities in the performance of the services, establishing a timeframe for their correction as per ICA 12-23;

6.2.7. Pay the CONTRACTED PARTY the amount owed for the services provided, as established in the CONTRACT through the receipt and acceptance of an invoice; and

6.2.8. Certify that, throughout CONTRACT execution, all eligibility and qualification requirements set forth in the bid shall be maintained, in accordance with the obligations undertaken by the CONTRACTED PARTY.

7. CLAUSE- DESCRIPTION OF SERVICES

7.1. The CONTRACT must be performed by the CONTRACTED PARTY in accordance with this CONTRACT and the BASIC PROJECT PLAN.

8. CLAUSE- CONTRACT AMOUNT

8.1. The maximum total Contract amount is **US\$ [VALUE] (AMOUNT)**, after initial allocation of US\$ [VALOR] (VALOR), through Allocation Bill N° [NUMBER], with remaining US\$ [AMOUNT] making up the difference (AMOUNT) of the above Allocation Bill.

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- 8.1.1. **MODULE 1:** Maximum amount is **US\$ [VALUE] (AMOUNT)**.
- 8.1.2. **MODULE 2:** Maximum amount is **US\$ [VALUE] (AMOUNT)**.
- 8.1.3. **MODULE 3:** Maximum amount is **US\$ [VALUE] (AMOUNT)**.
- 8.1.4. **MODULE 4:** Maximum amount is **US\$ [VALUE] (AMOUNT)**.

8.2. The contracted amount includes all expenses associated with direct or indirect execution of services, including but not limited to: all costs such as taxes and/or fees, in accordance with the BASIC PROJECT PLAN, social contributions, expenses, insurance, workers compensation, labor, social security contributions, fiscal, administrative tax, equipment, materials and any other fees associated with the Execution of the Contract Object.

9. CLAUSE- BUDGET ALLOCATION

9.1. Expenses associated with the Contract shall be borne in accordance with the following budget classification: **Program 0621** – Air Force Preparation and Employment; **Action 2048** – Supply and Maintenance of Aeronautical Material; Expense Nature (ND) 339030 (material) and ND 339039 (services); or other budget resource available to Project C-130

9.2. The information provided in this item is required by the Brazilian Government, for a merely informative purpose.

10. CLAUSE- SUBCONTRACTING

10.1. The maximum limit for subcontracting the execution of this object is 50% (fifty percent), calculated based on the Contract amount, in accordance with item 13 of the Basic Project Plan, ANNEX A.

10.2. Subcontracting must be authorized by the CONTRACTING PARTY'S EXPENSES SUPERVISOR, through a technical opinion issued by the MONITORING department, alongside specification of activities to be subcontracted and the timeframe in which they will be performed.

10.3. Subcontracted companies must possess all technical qualification requirements set forth in the BASIC PROJECT PLAN, ANNEX A, based on activity to be performed.

10.4. The CONTRACTED PARTY shall be legally and contractually responsible before the CONTRACTING PARTY for the subcontracted services. Any communication and/or clarification shall take place directly between the CONTRACTING PARTY and the CONTRACTED PARTY. Communication and/or clarification with/from subcontracted companies shall be the CONTRACTED PARTY's sole responsibility.

10.5. The CONTRACTED PARTY shall be legally and contractually responsible before the CONTRACTING PARTY for the subcontracted services. Subcontracting is the CONTRACTED PARTY's full and joint responsibility, answering in full for its guarantees, not just as regards the services and timeframes, but also insurance coverage against any claims, in case of breakdowns or damages associated with the services performed by the subcontracted company.

10.6. Subcontracting is restricted to the maintenance services provided for components and equipment used on FAB aircraft, except for full T56A-15 engines, and for REVO and MAFFS systems.

10.7. The provision of aircraft maintenance services, as established by Modules 1 and 3 may not be subcontracted and must be performed in full by the CONTRACTED PARTY.

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10.8. Should subcontracting become necessary, as per Ar. 72 of Law 8.666 of 1993, the following recommendations must be followed:

10.8.1. The CONTRACTED PARTY shall bear the risks and onus associated with the subcontracting, including but not limited to the Quality Guarantee provided for the service performed.

10.8.2. The CONTRACTED PARTY must provide the CONTRACTING PARTY, through the CONTRACT MONITOR, with all information required of it on the service, as well as of the subcontracted parties.

10.8.3. The CONTRACTED PARTY shall not be exempt from its contractual responsibilities or obligations when, as a consequence of any type of renegotiation with the subcontracted companies, it becomes unable to fulfill any of the obligations set forth in the contract.

11. CLAUSE- TERMS

11.1. Validity Term

11.1.1. This Contract's validity term shall be **60 (sixty) months** starting on signature date

11.1.2. Under exceptional circumstances, with proper justification and approval by a higher-ranking authority, the validity term may be extended by 12 months, as per §4° of Art. 57 of Law Nº 8,666/93.

11.2. Execution Time

11.2.1. The Contract's execution time shall be **58 (fifty-eight) months**, starting on the issue of the respective Service Order, i.e. the document signed by the CONTRACTING PARTY's legal representative, authorizing the commencement of service performance.

11.2.2. The issuance of a Service Order is subject to the submission of a financial guarantee for Contract Execution.

11.3. Receipt Timeframe

11.3.1. Temporary acceptance, which shall be formally entered into a TEMPORARY RECEIVING CERTIFICATE, falls to the Contract's COMREC, as soon as it receives part of the OBJECT.

11.3.2. After temporary acceptance, the CONTRACTING PARTY shall start the final acceptance of services by performing an inspection, within 10 (ten) days, for the purpose of evaluating physical condition, quality certificates and maintenance logs for FAB aircraft or for the spare parts, equipment and components used in the layout of FAB aircraft.

11.3.3. Non-conformities encountered by the CONTRACTING PARTY during final acceptance procedures must be notified to the CONTRACTED PARTY within 10 (ten) days of the final acceptance deadline and must be resolved by the CONTRACTED PARTY in an equal amount of time, further to notification. Should a grave DISCREPANCY be encountered, this timeframe may be extended, provided it is duly justified in writing

11.3.4. The inspection of the services rendered on an aircraft shall be completed at the location in which the CONTRACTED PARTY performs the service, and the inspection of spare parts, equipment and components used in FAB aircraft, except for full T56A-15

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engines, REVO and MAFFS systems shall be performed at final destination, i.e. at ALA 11, Rio de Janeiro – Brazil.

11.3.5. Final receipt will be formally recorded in a FINAL RECEIVING CERTIFICATE, to be issued within 10 (ten) days of inspection date.

11.3.6. The timeframe for receiving the object shall be in accordance with the procedural standard set forth in ICA 65-8 ICA 12-23.

11.4. Payment Processing Time

11.4.1. The payment period will be up to 30 (thirty) calendar days from the date on which the ACCEPTANCE CERTIFICATE is submitted, and shall occur in accordance with item 12.3 of the Basic Project Plan, ANNEX A.

11.4.2. The timeframe for receiving the object shall be in accordance with the procedural standard set forth in ICA 65-8 ICA 12-23.

12. CLAUSE- FINANCIAL GUARANTEE

12.1. A financial guarantee shall be required of the CONTRACTED PARTY, in the amount of **5% (five percent)** of total Contract Value, within 10 (ten) days of CONTRACT signature, to enable signing the SERVICE ORDER. The CONTRACTED PARTY shall provide a financial guarantee in US dollars (USD).

12.2. Any guarantee which fails to cover all possible risks and damages associated with Contract Execution shall not be accepted.

12.3. The financial guarantee shall be valid throughout Contract duration.

12.4. If the guarantee amount is used, in full or in part, the CONTRACTED PARTY must replenish the respective amount within 5 (five) business days from receipt of notification.

12.5. After CONTRACT conclusion, further to issue of the last Final Acceptance Certificate, and verification that all CONTRACTED PARTY obligations have been fulfilled completely, the guarantee shall be released and returned.

12.6. All costs associated with the financial guarantee shall be borne by the CONTRACTED PARTY .

12.7. If the Contract is amended, the financial guarantee must be extended to reflect CONTRACT expiration date

13. CLAUSE- TECHNICAL GUARANTEE

13.1. The technical guarantee will abide by the provisions in item 10 of the Basic project, ANNEX I to the INVITATION FOR BID.

14. CLAUSE- PERFORMANCE LOCATION

14.1. O The location for the provision of services is described in item 9 of the Basic Project Plan, ANNEX A.

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15. CLAUSE- CHANGES TO THE CONTRACT

15.1. The CONTRACT may be altered unilaterally by the CONTRACTING PARTY in the following situations:

15.1.1. If the project or its specifications should change, to better suit its objectives from a technical standpoint.

15.1.2. Should the Contract Amount require modification due to the quantitative increase or decrease of its Object.

15.1.3. The CONTRACTED PARTY is bound to accept, at the same terms and conditions, all changes involving an increase or decrease in services of up to 25% of updated original Contract amount.

15.1.3.1.1. Quantitative decreases exceeding twenty-five (25%) of the Contract amount may only be executed when both parts are in agreement.

15.2. The CONTRACT may be amended by agreement between the parties in the following situations:

15.2.1. If it is necessary to modify the execution regime for the good or service, or the means of supply, after verifying the original contractual terms are;

15.2.2. If it becomes necessary to alter form of payment, due to unforeseen circumstances, maintaining the original updated amount, excluding advance payment, as regards the fixed payment and delivery schedule, without the respective consideration for the provision of goods or execution of services;

15.2.3. In order to reestablish the relation initially agreed upon by the parties between contractual obligations and payment from the Administration as just compensation for the service, for the purpose of maintaining the Contract's initial economic and financial equilibrium, should unforeseen events occur, or foreseeable events of unforeseeable consequences, which delay or obstruct performance of the adjusted contract, or in case of force majeure, fortuitous event or factum principis, constituting extraordinary and extracontractual economic risk.

16. CLAUSE – SUBJECTIVE MODIFICATION

16.1. The CONTRACTED PARTY's merger, split or incorporation with another legal entity is admissible, provided that the new legal entity complies with all the qualification requirements set forth in this INVITATION FOR BID, that the remaining contractual clauses are fulfilled, and the execution of the contractual object is not compromised, and that the Administration provides its explicit approval for continuation of the Contract.

17. CLAUSE- PRICE ADJUSTMENT

17.1. In accordance with Art. 65, of 1993 Law 8666, the Contract may only be amended to reestablish the relation the parties initially agreed upon between the Parties obligations and their compensation by the Administration for a fair payment of the work, service or supply, thus maintaining the economic and financial equilibrium of the Contract; should unforeseen facts occur or foreseeable facts of unforeseeable consequences or in case of force majeure,

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fortuitous events or factum principis, constituting extraordinary and extracontractual economic risk.

17.2. The economic and financial equilibrium shall be based on the CONTRACTED PARTY's formal proposal, and it shall be considered only after 12 months have lapsed from the time of Contract Signature.

17.3. The physical-financial equilibrium shall be preceded by a request from the CONTRACTED PARTY, supported by a table with an analytical breakdown of the Contract's cost components, showing the formation of the current price as well the price presented in proposal.

17.4. The inclusion of advantages which were not featured in the initial proposal is forbidden, except when they have become mandatory due to a legal agreement, normative sentence, collective agreement or collective convention.

17.5. A request to reestablish the economic and financial equilibrium shall only be taken into account through negotiation between the parties, considering:

17.5.1. The occurrence of an unforeseeable fact, or foreseeable fact of unforeseeable consequences, which delays or prevents the execution of the agreement and its adequate characterization;

17.5.2. The occurrence of a Force Majeure event, fortuitous event or factum principis, constituting extraordinary and extracontractual economic risk, and its adequate characterization;

17.5.3. Proof of imbalance, through a request by the Contracted Party with two price formation tables, one for the initial Price Proposal and one for the New Price Proposal;

17.5.4. The economic exam of the table through verification of the arithmetic calculation which led to the new price;

17.5.5. The relevant preparation of calculation logs;

17.5.6. Analysis of the new recalibrated price compared with market prices;

17.5.7. The existence of a budget allocation to cover a possible Price change

17.6. A decision on the request must be finalized within a maximum timeframe of 60 (sixty) days, starting on the date of delivery of proof of cost variation.

17.7. In case of economic and financial equilibrium an amendment to the current Contract shall be drawn up.

17.8. The timeframe referenced in the previous paragraph shall be suspended until the CONTRACTED PARTY fulfills its obligations or provides the documentation requested by the CONTRACTING PARTY to prove imbalance.

17.9. The CONTRACTING PARTY can make diligences to verify the imbalance alleged by the CONTRACTED PARTY.

17.10. The submission of a proposal of economic and financial equilibrium by the CONTRACTED PARTY does not imply acceptance by the CONTRACTING PARTY.

17.11. Should the CONTRACTED PARTY not submit other adequately adjusted indices, the maximum adjustment amount shall be equivalent to CPI variation (Customer Price Index, issued by the Bureau of Labor Statistics – BLS) from the US Department of Labor.

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18. CLAUSE- PAYMENT

18.1. Payment term shall be 30 (thirty) days starting on date of delivery of RECEIVING CERTIFICATE, with the Invoice, as per procedural standard established in ICA 65-8.

18.2. An invoice shall be issued by the CONTRACTED PARTY in accordance with the following procedures:

18.2.1. "Approval" of the invoice is conditional upon the fulfillment of services described in the invoice presented by the CONTRACTED PARTY; and

18.2.2. In case of failure to present necessary documents, or of a situation which prevents invoice payment, payment shall remain suspended until the CONTRACTED PARTY takes applicable measures to resolve all pending issues. In this case, the payment term shall take effect after pending issues are resolved by the CONTRACTED PARTY, without any cost to the CONTRACTING PARTY.

18.3. The payment date shall be the date on which the wire transfer is processed by the CONTRACTING PARTY'S bank. The CONTRACTING PARTY shall not be responsible for any fees charged by the CONTRACTED PARTY'S financial institution.

18.4. The CONTRACTING PARTY shall not be responsible for any expenses incurred by the CONTRACTED PARTY which have not been stipulated in the CONTRACT.

18.5. Should the CONTRACTED PARTY wish to receive payment in another currency than US Dollars, it shall cover any currency exchange costs or other bank fees which may apply.

18.5.1. Payments made in Brazilian currency shall be made at the Exchange rate in effect on the business day immediately preceding actual payment date.

18.6. Payment method entailing the use of items no longer used by FAB is described in item 12.3 of the Basic Project Plan, ANNEX A.

19. CLAUSE- MONITORING

19.1. The MONITORING must be performed by members of the Administration, specifically appointed by the Administration, in accordance with Law N° 8.666 / 1993, ICA n° 65-8 / 2009, and ICA n° 12-23 / 2014, in order to monitor and oversee the CONTRACT to be performed.

19.2. MONITORING must comply with the provisions of this Notice and Item 15 of the Basic Project Plan.

20. CLAUSE – RECEIPT OF OBJECT

20.1. The services contemplated by this NOTICE must be received by COMREC in accordance with the provisions of the BASIC PROJECT PLAN, ANNEX A.

20.1.1. All proposals, questions, discrepancies and difficulties encountered during CONTRACT execution, requiring evaluation, must be submitted to the MONITORING team, for assessment by the CONTRACTING PARTY'S EXPENSES SUPERVISOR.

21. CLAUSE – FORCE MAJEURE AND UNFORSEEABLE EVENTS

21.1. Unforeseeable or Force Majeure events must be notified in writing the CONTRACTING PARTY'S EXPENSES SUPERVISOR, through the MONITORING team, so that it may decide the

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appropriate course of action, provided it has been proven that such events affected the services/materials provided in accordance with the Object of this CONTRACT.

21.2. For the purpose of this CONTRACT, events shall be considered unforeseeable or Force Majeure, if they fit the legal definition provided in the single paragraph of Art. 393 of the Brazilian Civil Code, in accordance with Line II, §1º, Art. 57 of Law Nº 8.666/93.

22. CLAUSE- ADMINISTRATIVE SANCTIONS AND PENALTIES

22.1. The application of administrative sanctions must take into account the gravity of the failure, its recurrence, the damage caused to Public Interest and the loss caused to the Administration.

22.2. Failure to fulfill the CONTRACT in full or in part, or any breach of the obligations set forth in the CONTRACT, shall subject the CONTRACTED PARTY to the following penalties, without exclusion of other civil and criminal penalties, and to any and all damages and resources available to the contract by the CONTRACTING PARTY, in the terms of the CONTRACT or applicable legislation, ensuring due legal process:

22.2.1. A WARNING is the administrative sanction which shall be applied when the CONTRACTED PARTY should breach, for the first time, the obligations associated with contractual timelines, or for the submission of an invoice with a mistake or in case of non-compliance of guidelines received from the Inspection team within 48 (forty-eight) hours starting from the time of notification from the MONITORING team. In order to issue this Warning, a PAAI must be generated.

22.2.2. A WARNING shall not be issued in cases of recurring faults in the same category of breach of contractual obligations.

22.2.3. The FINES referenced in Line II, of art. 87 (such as, for example, due to total or partial failure to execute the Contract) of Law nº 8.666/93, may be defined and applied:

22.2.3.1. For total or partial non-execution of Contract:

22.2.3.1.1. A fine may be applied for partial non-execution in the adjustment amount of 0.2% (two tenths of a percentage point), of the CONTRACT amount, if the CONTRACTED PARTY fails to comply with any amended condition of the CONTRACT; and

22.2.3.1.2. If the CONTRACTED PARTY should cause termination, a fine will be applied for total non-execution of agreement in the amount of 10% (ten percent) of updated total CONTRACT value, without excluding a delinquency fine and any other sanctions set forth in Art. 87 of Law Nº 8.666/93.

22.3. After ensuring the Contracted Party's right to defense, within a period of 5 (five) business days, a fine for total or partial non-execution of the CONTRACT may be applied, in addition to the administrative sanctions set forth in Lines I, III and IV, of art. 87, of Law Nº 8.666/93.

22.4. The CONTRACTING PARTY must inform the CONTRACTED PARTY of the amount to be collected, after exhausting all administrative appeals, and the right to ample defense; the CONTRACTING PARTY shall deduct the amount from balances to be paid from executed services.

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22.4.1. If payment is not fulfilled in the above manner, the fines owed will be deducted, activating the CONTRACT'S financial guarantee.

22.5. After the actions described in the previous items, should money still be owed for the payment of the fine, the CONTRACTING PARTY'S Expenses Supervisor (Chief or Deputy), if applicable, shall submit the process to the National Treasury General Attorney's Office (PGFN), for analysis for the purpose of entering the sanctioned company in the Federal Unpaid Debt List [‘Dívida Ativa da União’-DAU] and/or allow judicial process, based on the amount owed.

22.6. The application of a fine does not exempt the CONTRACTED PARTY from compensation for damages, losses and injuries it may cause the Administration through its punishable act, which also does not exclude the possibility other administrative penalties may be applied.

22.7. The application of the above fines are subjected to appeal period of 5 (five) business days.

22.8. Temporary suspension from participating in BIDDING PROCESS and impediment from entering into a Contract with the Administration shall be applied, within the COMAER, to the following degrees:

22.8.1. For up to 30 (thirty) days:

22.8.1.1. Non-compliance with timeframe established for corrective measures, as of application of warning sanction; and

22.8.1.2. For the disruption of any action in the open sessions of the BIDDING PROCESS.

22.8.2. For up to 3 (three) months:

22.8.2.1. Withdrawal of proposal, in the absence of a reason associated with an unforeseen event;

22.8.2.2. Claim that the prices offered are inviable;

22.8.2.3. Submission of an appeal as an obvious delaying tactic.

22.8.3. For up to 6 (six) months:

22.8.3.1. Refusal by the winning bidder, summoned within the valid timeframe of its proposal, to sign or accept the contract, or withdrawal of equivalent instrument;

22.8.3.2. Failure to submit a Contract financial guarantee, as per the INVITATION FOR BID;

22.8.3.3. Repeated occurrence of a punishable act as established in sub-items 22.8.1 and 22.8.2 of this item, in under 24 (twenty-four) months;

22.8.3.4. Application of a second administrative sanction fee within the same Contract;

22.8.3.5. Application of two administrative sanction warnings and one fine, within the COMAER, within 12 (twelve) months, and failure by the supplier to undertake the necessary corrective measures in the timeframe prescribed by the Administration; and

22.8.3.6. Application of two administrative sanction fine within the COMAER in 12 (twelve) months, and failure by the supplier to take the necessary corrective measures in the timeframe prescribed by the Administration;

22.8.4. For up to 12 (twelve) months:

22.8.4.1. If the CONTRACTED PARTY delays the execution of service without a reason, resulting in contractual termination;

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22.8.4.2. If the CONTRACTED PARTY does not pay/extinguish the fine in the established timeframe, in situations in which it is not possible to deduct its amount from the guarantee or the credits associated with the completed installments; and

22.8.4.3. In case of repeated punishable defaults per description provided in sub-paragraph '22.8.3', in less than 36 (thirty-six) months;

22.8.5. For up to 24 (twenty-four) months:

22.8.5.1. In case of unlawful act, for the purpose of interfering with the Bid Objectives, such as forming a cartel;

22.8.5.2. Submission of 'fraudulent', 'adulterated', 'false' or 'falsified' documents;

22.8.5.3. Issue of a 'false statement';

22.8.5.4. Final sentence of felonious tax fraud in the collection of taxes associated with the contract;

22.8.5.5. Suspension of service without just cause and without notifying the Administration in advance;

22.8.5.6. Delivery of 'falsified' or 'adulterated' supplies, using artifice to deceive the Administration;

22.8.5.7. Repeated non-execution of Contract resulting in grave damages to the Administration; and

22.8.5.8. Repeated occurrence of punishable default as defined in sub-paragraph 22.8.4. in under 48 (forty-eight) months.

22.9. For the purposes of this Bid, as regards the application of an administrative sanction for the temporary suspension from solicitations and debarment from entering into contracts with the Administration, the term 'Administration' should be interpreted as COMAER.

22.10. Non-execution of the CONTRACT is defined as failure to complete the provision of services in accordance with the technical specifications provided in this INVITATION FOR BID.

22.11. Inadequate behavior is defined as the intentional attempt to deceive or corrupt the Administration, or any of its agents, for the purpose of obtaining illicit advantages.

22.12. The PAAI pertaining to the Declaration of Unfitness shall be sent to the Defense Ministry, per the appropriate chain of command, after issue of opinion by COJAER, given the State Minister's exclusive competence in applying sanctions. The sanction may be applied in any of the following ways:

22.12.1. If the company has received a final sentence due to the practice of fiscal fraud with felonious intent in collection of any taxes.;

22.12.2. If the company or professional committed an unlawful act, for the purpose of interfering with the bidding process's objectives;

22.12.3. If the Administration should verify that the company or professional is not, in fact, fit to enter into a Contract due to unlawful committed by it; or

22.12.4. If the Brazilian Audit Court ['Tribunal de Contas da União'] has verified the proven existence of fraud in the bidding process.

22.13. The criteria for issuing a Declaration of Unfitness, which may not exceed 5 (five) years per current legislation, shall be submitted to COJAER, for further submission to the Defense Secretary. Rehabilitation further to this sanction may be claimed by the interested party 2 (two) years after its application.

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22.14. In issuing a Declaration of Unfitness, the suggested sanction shall be indicated, for inclusion -in the respective PAAI, for the purpose of rehabilitating the supplier- of the amount to be reimbursed, legal surcharges and other applicable obligations.

23. CLAUSE- LINKAGE

23.1. This CONTRACT is bound to the INVITATION FOR BID N°181301/CABW/2018, to the CONTRACTED PARTY's Price Proposal, submitted by [COMPANY NAME] to the BACW.

24. CLAUSE – TERMINATION

24.1. In accordance with the dispositions of Article 78 of Law N° 8.666 / 93 (Brazil), the following are sufficient reasons to terminate the Contract;

24.1.1. Not performing of contract clauses, specifications, projects and timeframes

24.1.2. Irregular fulfillment of contract clauses, specifications, projects and timeframes;

24.1.3. Slowness in execution, leading the CONTRACTING PARTY to prove it is inviable to complete services within the established timeframes;

24.1.4. Unjustified delay in starting the service;

24.1.5. Interruption in the service, without just cause, and without advance warning to the CONTRACTING PARTY;

24.1.6. Total or partial subcontracting of the object, the CONTRACTED PARTY's partnership with other companies, total or partial transfer, such as a merger, split or incorporation, in forms not allowed by the INVITATION FOR BID and this CONTRACT;

24.1.7. Non-compliance with the orders issued by the authority appointed to oversee and inspect the performance of services, or of higher-ranking authorities;

24.1.8. Repeated errors in execution, recorded as prescribed by §1° of Art. 67, Law N° Lei 8.666/93;

24.1.9. Filing for bankruptcy or enactment of civil insolvency;

24.1.10. Dissolution of the company or death of the contracted individual;

24.1.11. Corporate change or modification of the CONTRACTED PARTY's purpose or structure, in a manner which compromises CONTRACT performance;

24.1.12. Public interest reasons (Brazil), of great importance, and widely known, justified and ordered by a higher-ranking executive authority with jurisdiction over the CONTRACTING PARTY, based on an administrative proceeding established in the CONTRACT;

24.1.13. Suspension of services, based on written order from the CONTRACTING PARTY, for a period of over 120 (one hundred and twenty) days, except in cases of natural disaster, civil unrest or war, or repeated suspensions adding up to the same length of time. In addition to the payment required as indemnification to the CONTRACTED PARTY, The CONTRACTED PARTY is also entitled to suspend the fulfillment of its obligations until normalcy is restored;

24.1.14. A delay greater than 90 (ninety) days in the payments owed by the CONTRACTING PARTY, for completed and accepted services, deliveries and work, except in case of disasters, domestic disorder or wars. The CONTRACTED PARTY shall be

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entitled to suspend the fulfillment of its obligations until normalcy is restored;

24.1.15. Failure by the CONTRACTING PARTY to make available the facilities or object for the performance of services within the established deadlines;

24.1.16. Unforeseeable or Force Majeure events, preventing Contract Execution, a fact which shall be deemed proved; and

24.1.17. Non-compliance with line V, Art. 27 of Law N° 8.666/ 93, without excluding applicable criminal sanctions.

24.2. The termination shall be formally recorded in accordance with the law, ensuring the right to due legal process and ample defense;

24.3. The termination of this CONTRACT may be:

24.3.1. Unilaterally decided (if justified) by the CONTRACTING PARTY in the events listed in items 24.1.1 through 24.1.12 e 24.1.16 of this Clause;

24.3.2. The termination of the Contract may also occur due to suspension of services by the Administration, resulting in adjustments to the initial CONTRACT amount of up to 25% (twenty-five percent), through no fault of the CONTRACTED PARTY'S;

24.3.3. It may be amicable, further to agreement between the parties, recorded in an amendment to the CONTRACT, provided this is in the CONTRACTING PARTY'S interest; and

24.3.4. Judicially, in accordance with applicable legislation.

24.4. The CONTRACTED PARTY shall be compensated for the damages incurred, provided it is able to prove them, as a result of contract termination, based on items 24.1.12, 24.1.13, 24.1.14, 24.1.15 and 24.1.16 in accordance with this Clause, being entitled to:

24.4.1. The release of its financial guarantee;

24.4.2. Payments owed for CONTRACT execution up until date of termination; and

24.4.3. Payment for demobilization costs.

24.5. Administrative or amicable terminations must be preceded by a written authorization, with adequate justification by the competent authority.

Termination of the CONTRACT due to non-fulfillment of Contract Clauses shall result in use of the financial guarantee to compensate the CONTRACTING PARTY for the fines established in Clause 22 and for any indemnification due. Any credits associated with the CONTRACT shall be retained up to the limit of the damages caused to the CONTRACTING PARTY, in addition to the sanctions established in this CONTRACT.

24.6. The Contract Termination Document must include

24.6.1. Evaluation of contractual services rendered in full;

24.6.2. List of completed and pending payments; and

24.6.3. Indemnifications and Fines.

25. CLAUSE- CHOICE OF LAW

25.1. This CONTRACT shall be processed and interpreted in accordance with the principles of Law N°8.666/93, and shall be governed and executed in accordance with the laws of the District of Columbia, including the Uniform Commercial Code, as adopted in the District of Columbia, without regard to any choice of law or conflict of laws

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doctrines that might otherwise be applied. The UN Convention on Contracts for the International Sale of Goods shall have no application to this CONTRACT.

25.2. The parties agree to make a diligent, good faith attempt to amicably resolve any conflicts before either party initiate litigation in the terms of this Clause (Contract Termination Clause) of this CONTRACT.

25.3. Any controversy or complaint related to this Contract, such as a Contract violation, must be submitted to the Superior Court or to the United States District Court for the District of Columbia, to the jurisdiction to which the parties irrevocably submit.

26. CLAUSE- NOTIFICATIONS AND CORRESPONDENCE

26.1. All correspondence, reports and notifications arising from the execution of this CONTRACT shall be made in writing and shall only be considered to be received by the CONTRACTING PARTY and the CONTRACTED PARTY, and must be delivered to the addresses indicated below by one party to the other party or from any other addresses that may be communicated by the PARTIES, throughout the validity of this CONTRACT.

CONTRACTING PARTY

THE FEDERAL GOVERNMENT, THROUGH THE GALEAO AERONAUTICAL DEPOT (PAMAGL)

Attn: CONTRACT MONITOR

Rua Alfredo Rocha, 495-Ilha do Governador, CEP 21,941-580-Rio de Janeiro, RJ (BRAZIL)

Telephone + 55 (11) 3184 5000

Fax: + 55 (11) 3184 5113

Email: [MONITOR'S EMAIL]

CONTRACTED PARTY

CONTRACTED PARTY'S NAME

Attn: Mr./Ms. [Name of Legal Representative]

ADDRESS:

Telephone:

Fax

Email:

27. CLÁUSULA - CONFIDENTIALITY

27.1. As CONFIDENTIAL INFORMATION must be used exclusively for the purposes of the CONTRACT and negotiations between the CONTRACTED PARTY and the CONTRACTNG PARTY, and the provisions set forth in the Basic Project Plan, ANNEX A, item 17.

28. CLAUSE- SUSTAINABILITY

28.1. Any fixture, equipment or process of the CONTRACTED PARTY, which is located at a fixed site and releases or emits matter into the atmosphere, through emission points or fugitive emissions, and is used in the performance of the contract, must abide by upper emission limits

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for air pollutants allowed by CONAMA Resolution N ° 382, dated 12/26/2006, and other relevant legislation, based on the pollutant and type of source, if located in Brazil, or other legislation, if located outside Brazil.

28.2. During contract execution, as applicable, noise emission levels may not exceed acceptable limits set forth in Norm NBR-10.151 – Sound Evaluation in Residential Areas for the purpose of community comfort, issued by the Brazilian Association of Technical Norms– ABNT, or those set forth in NBR-10.152- Noise Levels for acoustic comfort, by the Brazilian Association of Technical Norms- ABNT, in the terms of CONAMA Resolution N° 01, dated 03/08/1990, and related legislation- if located in Brazil, or relevant legislation, if located outside Brazil.

28.3. As per Article 4°, § 3°, of SLTI/MPOG Normative Rule N° 1, dated 01/19/2010, or relevant norm in the location of aircraft operation/maintenance, during contract execution, recycled aggregates must be used wherever their availability and supply capacity exist, provided the cost is lower than that of natural aggregates, per entry into the price and cost breakdown table.

29. CLAUSE- NUMBER OF COPIES

29.1. It is agreed that this Contract shall be issued in 2 (two) original copies, of equal form and content.

29.1.1. (One) original for the CONTRACTING PARTY; and

29.1.2. (One) original for the CONTRACTED PARTY.

29.2. In witness thereof, the parties sign this CONTRACT in 2 (two) original copies, of equal form and content in the presence of the undersigned witnesses

Washington DC, [MM]/[DD]/[YEAR].

For the CONTRACTING PARTY

MINUTA/DRAFT

DIRECTOR OF PAMAGL

For the CONTRACTED PARTY

NAME

WITNESSES FOR THE CONTRACTING PARTY

MINUTA/DRAFT

PAMAGL Internal Control Agent

MINUTA/DRAFT

CONTRACT INSPECTOR

WITNESSES FOR THE CONTRACTED PARTY

NAME: ID N°

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ANNEX A

BASIC PROJECT PLAN

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OFFICER / Rank
CONTRACT MONITOR

OFFICER / Rank
PAMAGL internal Control Agent.



ANNEX B

PRICE PROPOSAL

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**ANNEX C-
PAYMENT AND DELIVERY SCHEDULE**

		QUOTE (USD): R\$	Prospected Payment made for Service rendered	Prospected value of material provided as a payment installment (25% of HV value)	Prospected Cash of Payment Installment
Item	Date	Description	Amount (USD)	Usable Stock	Difference (USD)
1	T0+02	Modules 1 and 2 - Step 01	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
2	T0+02	Modules 1 and 2 - Step 02	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
3	T0+03	Modules 1 and 2 - Step 03	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
4	T0+04	Modules 1 and 2 - Step 04	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
5	T0+04	Module 3 - Step 01	\$ 1,668,750.00	\$ 417,187.50	\$ 1,251,562.50
6	T0+04	Module 4 - Step 01	\$ 834,375.00	\$ 208,593.75	\$ 625,781.25
7	T0+05	Modules 1 and 2 - Step 05	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
8	T0+06	Modules 1 and 2 - Step 06	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
9	T0+07	Modules 1 and 2 - Step 07	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
10	T0+08	Modules 1 and 2 - Step 08	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
11	T0+08	Module 3 - Step 02	\$ 1,668,750.00	\$ 417,187.50	\$ 1,251,562.50
12	T0+08	Module 4 - Step 02	\$ 834,375.00	\$ 208,593.75	\$ 625,781.25
13	T0+09	Modules 1 and 2 - Step 09	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
14	T0+10	Modules 1 and 2 - Step 10	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
15	T0+11	Modules 1 and 2 - Step 11	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
16	T0+12	Modules 1 and 2 - Step 12	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
17	T0+12	Module 3 - Step 03	\$ 1,668,750.00	\$ 417,187.50	\$ 1,251,562.50
18	T0+12	Module 4 - Step 03	\$ 834,375.00	\$ 208,593.75	\$ 625,781.25
19	T0+13	Modules 1 and 2 - Step 13	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
20	T0+14	Modules 1 and 2 - Step 14	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
21	T0+15	Modules 1 and 2 - Step 15	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
22	T0+16	Modules 1 and 2 - Step 16	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
23	T0+17	Modules 1 and 2 - Step 17	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
24	T0+18	Modules 1 and 2 - Step 18	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
25	T0+18	Module 3 - Step 04	\$ 1,668,750.00	\$ 417,187.50	\$ 1,251,562.50
26	T0+18	Module 4 - Step 04	\$ 834,375.00	\$ 208,593.75	\$ 625,781.25
27	T0+19	Modules 1 and 2 - Step 19	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
28	T0+20	Modules 1 and 2 - Step 20	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
29	T0+21	Modules 1 and 2 - Step 21	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
30	T0+22	Modules 1 and 2 - Step 22	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
31	T0+23	Modules 1 and 2 - Step 23	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
32	T0+24	Module 2 - Step 24	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
33	T0+24	Module 3 - Step 05	\$ 1,668,750.00	\$ 417,187.50	\$ 1,251,562.50
34	T0+24	Module 4 - Step 05	\$ 834,375.00	\$ 208,593.75	\$ 625,781.25
35	T0+25	Module 2 - Step 25	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
36	T0+26	Modules 1 and 2 - Step 26	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
37	T0+27	Modules 1 and 2 - Step 27	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
38	T0+28	Modules 1 and 2 - Step 28	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51
39	T0+29	Modules 1 and 2 - Step 29	\$ 1,318,146.01	\$ 329,536.50	\$ 988,609.51

NOA

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OFFICER / Rank
CONTRACT MONITOR

OFFICER / Rank
PAMAGL internal Control Agent.



**MINISTRY OF DEFENSE
AERONAUTICAL COMMAND
GALEÃO AERONAUTICAL MATERIAL DEPOT (PAMAGL)**

CONTRACT
(NUMBER)/PAMAGL/2018)
Bid N. 181301/CABW/2018
PAG 27 of 28

		QUOTE (USD): R\$ 3.30	Prospected Payment to be made for Service Rendered	Prospected value of Material provided as a Payment installment (25% of HV value)	Prospected Cash Value of Payment Installment
Item	Date	Description	Amount (USD)	Usable Stock	Difference (USD)
40	T0+30	Modules 1 e 2 - Step 30	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
41	T0+30	Module 3 - Step 06	\$ 1,668,750.00	\$ 417,187.50	\$ 1,251,562.50
42	T0+30	Module 4- Step 06	\$ 834,375.00	\$ 208,593.75	\$ 625,781.25
43	T0+31	Modules 1 e 2 - Step 31	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
44	T0+32	Modules 1 e 2 - Step 32	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
45	T0+33	Modules 1 e 2 - Step 33	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
46	T0+34	Modules 1 e 2 - Step 34	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
47	T0+35	Modules 1 e 2 - Step 35	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
48	T0+36	Modules 1 e 2 - Step 36	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
49	T0+36	Module 3 - Step 07	\$ 1,668,750.00	\$ 417,187.50	\$ 1,251,562.50
50	T0+36	Module 4 - Step 07	\$ 834,375.00	\$ 208,593.75	\$ 625,781.25
51	T0+37	Modules 1 e 2- Step 37	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
52	T0+38	Module s 1 e 2 - Step 38	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
53	T0+39	Module s 1 e 2 - Step 39	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
54	T0+40	Modules 1 e 2 - Step 40	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
55	T0+41	Modules 1 e 2 - Step 41	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
56	T0+42	Modules 1 e 2 - Step 42	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
57	T0+42	Module 3 - Step 08	\$ 1,668,750.00	\$ 417,187.50	\$ 1,251,562.50
58	T0+42	Module 4- Step 08	\$ 834,375.00	\$ 208,593.75	\$ 625,781.25
59	T0+43	Module s 1 e 2 - Step 43	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
60	T0+44	Modules 1 e 2 - Step 44	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
61	T0+45	Modules 1 e 2- Step 45	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
62	T0+46	Modules 1 e 2 - Step 46	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
63	T0+47	Modules 1 e 2 - Step 47	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
64	T0+48	Modules 1 e 2 - Step 48	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
65	T0+49	Module s 1 e 2 - Step 49	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
66	T0+S0	Modules 1 e 2- Step 50	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
67	T0+S1	Modules 1 e 2- Step 51	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
68	T0+52	Modules 1 e 2 - Step 52	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
69	T0+S3	Modules 1 e 2 - Step 53	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
70	T0+54	Modules 1 e 2 - Step 54	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
71	T0+54	Module 3 - Step 09	\$ 1,668,750.00	\$ 417,187.50	\$ 1,251,562.50
72	T0+54	Module 4- Step 09	\$ 834,375.00	\$ 208,593.75	\$ 625,781.25
73	T0+SS	Modules 1 e 2 - Step 55	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
74	T0+56	Modules 1 e 2 - Step 56	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
75	T0+S7	Modules 1 e 2 - Step 57	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
76	T0+58	Module s 1 e 2- Step 58	\$ 1,318,46.01	\$ 329,536.50	\$ 988,609.51
TOTAL			\$ 98.980.593,81	\$ 24.745.148,45	\$ 74.235.445,35

NOA

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-----DRAFT-----

OFFICER / Rank
CONTRACT MONITOR

OFFICER /Rank
PAMAGL internal Control Agent.



ANNEX D

CONTRACT DRAFT IN PORTUGUESE

ROA
X

-----DRAFT-----

OFFICER / Rank
CONTRACT MONITOR

OFFICER /Rank
PAMAGL internal Control Agent.