



**CONTRACT
BETWEEN
THE CZECH REPUBLIC - MINISTRY OF INTERIOR
AND
AIRBUS HELICOPTERS DEUTSCHLAND GMBH (AHD)
FOR THE RETROFIT OF
EIGHT (8) EC135 T2+
EOS, RN7 AND GTN750/650 UPGRADE**

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CONTRACTING PARTIES

| | |
|----------------------------|---|
| Purchaser: | CZECH REPUBLIC - Ministry of Interior |
| Address: | Prague 7, Nad Stolou 936/3, 170 34 |
| Legal form: | 325-government department |
| Identification number: | 00007064 |
| Tax identification number: | CZ00007064 |
| Represented by: | Ing. Tomáš Hytych Director of Czech Police Aviation Department |
| Bank details: | Czech National Bank |
| Account number: | 5504881/0710 |
| Tel.: | 974 884 513 |
| Contact person: | Ing. Václav Sládeček |
| Tel: | 974 838 249 |

(hereinafter „Purchaser“) as one party

and

Seller:

AIRBUS HELICOPTERS, a S.A.S. (simplified company limited by shares) incorporated under French law, whose registered office is situated at Aéroport International Marseille-Provence, 13725 - Marignane Cedex, France, acting in the name and on behalf of

AIRBUS HELICOPTERS DEUTSCHLAND GmbH, a limited liability company incorporated under German Law, whose registered office is situated at Industriestraße 4, 86609 Donauwörth, Germany

| | |
|---------------------------------------|---|
| Identification number: | DE 129273267 |
| Tax identification number: | DE 129273267 |
| Registered in the commercial register | Amtsgericht Augsburg, HRB 16508 |
| Represented by: | Dietmar Strohofer Sales Manager Europe, Global Business and Services |
| Bank details: | Uni Credit AG, München |
| Account number: | DE 31 70020270 000 2702100 |
| Swift-Code: | HYVEDEMMXXX |
| Contact person: | Dietmar Strohofer Sales Manager Europe, Global Business and Services |
| Tel.: | +49 (0) 906-71 38 24 |
| Fax: | +49 (0) 906-71 40 78 |
| E-mail: | dietmar.strohofer@airbus.com |

(hereinafter „Seller“) as the second party

are concluding this

CONTRACT



A. TECHNICAL DESCRIPTION

A.1. RETROFIT SCOPE

Specification of the work:

- Installation of four (4) pieces optoelectronic stabilized platforms delivered in 2015 under contract PPR-4175-80/ČJ-2015-990656, into 5 EC-135 T2+ helicopters (OK-BYD, OK-BYE, OK-BYF, OK-BYG, OK-BYH).
- Supply and installation of multifunctional radio stations GARMIN GTN-750 and GTN-650 into each EC-135 T2+ helicopter (OK-BYA, OK-BYB, OK-BYC, OK-BYD, OK-BYE, OK-BYF, OK-BYG, OK-BYH).

Attachment 1 "Retrofit Scope" provides an overview about the modifications, Turn-around times, pricing.

Please note:

- Any modifications (e.g. STC's) that have been performed after the delivery of the helicopter and out of Airbus Helicopters responsibility or guidance are not considered in this contract and might have impacts on compatibility and price of the retrofit.
- Technical inspections and maintenance activities or extra work not listed in attachment 1 are not included in this contract.
- In case of need for the Purchaser to perform additional technical tasks as Over & Above during the retrofit program, the impact on the lay-up and schedule will have to be discussed with the Seller.
- If such a case may occur, the Seller will have to be informed in due time to check the availability of parts and compatibility with the overall retrofit program.
- Assumption is made, that the aircraft will be delivered fully equipped and operational for the retrofit as well as in an airworthiness condition including all relevant documentation.
- Should any defects be discovered or a failure occurs during the implementation of the retrofits, the Purchaser and the Seller will have to analyze the impact and consequences on the lay-up and schedule and agree jointly on an appropriated repair procedure.

A.2. STATEMENT OF WORK (SOW)

Attachment 2 "Statement of Work" contains a detailed overview and description of the modifications.

A.3. DELIVERY AND RETROFIT SCHEDULE

The Purchaser shall deliver the helicopters to be serviced DAP (Delivered at Place) (Incoterms 2010) to the following point of delivery:

Name of Contractor: Airbus Helicopters Deutschland GmbH
Address: Kassel Airport (KSF) or Motorflug Baden-Baden

This retrofit program is starting in 2016. Overlapping and parallel retrofits might be discussed between the parties if required. The Purchaser and the Seller will have to define jointly the final retrofit schedule after the signature of this contract. The following table shows an initial proposal from the Seller as basis for the definition of a mutually agreed retrofit schedule:

| | |
|------------------------|------|
| Year | 2017 |
| No. of retrofitted A/C | 8 |

The estimated material lead-times after signature of this contract are up to five (5) months.

AHD will make reasonable efforts to fulfill this contract until the end of 2017. If needed, the extension of this term to 1st quarter of 2018 will be accepted by the Purchaser provided the total contractual price will remain unchanged.

The turn-around times (TAT) per helicopter S/N, after arrival of the A/C at AHD MRO facilities in Germany, are listed in *Attachment 1 "Retrofit Scope"*.

Hand-over and delivery to the customer will take place at AHD MRO facilities Kassel-Calden or Motorflug Baden-Baden acc. SCS – Specific Annex for Retrofits paragraph G4.

A.4. TECHNICAL DOCUMENTATION

An update of the Avionic Manual (AVM) will be provided. The AC Log-Book will be updated in accordance with the modifications implemented during the lay-up by AHD.

A.5. BUYER FURNISHED EQUIPMENT (BFE)

Prices and the project are set up under the condition that the Purchaser has to provide the goods, which were delivered by AHD under the Purchase Contract Ref. No. PPR-4175-80/ČJ-2015-990656, as BFE. These parts are already physically located at AHD MRO facilities Kassel-Calden.

A.6. TASKS AND RESPONSABILITIES

Airbus Helicopters will perform the following tasks under the responsibility of a Retrofit Project Manager (will be designated prior to the start of the retrofit program):

- Management and coordination of the retrofit contract, scheduling and reporting of the work progress including submission to CPAD of any additional extra work identified during the lay-up.
- Preparation of the related A/C for retrofit (de-fuelling, blade removal etc.).
- Implementation of the modifications in accordance to the SOW incl. ground tests.
- Reporting of findings during the lay-up.
- Reconditioning of the A/C, weighing and balancing, preparation for flight tests.
- Flight campaign.
- Update of the technical documentation.
- Quality process and delivery of a release-to-service certificate.
- Functional check flights performed after accomplishment of contractual work specification shall be identified as Flight Acceptance Test (FAT). A CPAD flight crew together with AHD staff, if requested by the Purchaser, shall accomplish these flights.
- Accomplish a Post Flight Inspection i. a. w. works cards as required by the technical manuals.
- Prepare aircraft for return flight.

CPAD will designate a Focal Point of Contact (PoC) for any technical activities related to the retrofit and will contribute to the program with the following tasks and responsibilities:

- Scheduling of the retrofit program, taking into account CPAD operational needs and AHD constraints.
- Reporting of any changes in the scheduled A/C retrofit sequence in due time to AHD, in order to enable AHD to re-organize the technical planning and activities, e.g. availability of material kits, work planning etc.
- Ferry flight of each A/C to AHD MRO facilities in Germany and provision of the related documentation.
- Performing with AHD the hand-over upon arrival of the A/C.
- Transfer of the A/C responsibility to AHD for the modifications and flight testing of the A/C.
- Analysis with AHD of the problems/ failures encountered during the lay-up and findings.

-
- Acceptance Test Procedure (FAT and Post Flight) at the end of the lay-up and assessment with AHD Quality.
 - Cancellation of the transfer of responsibility to AHD.
 - Ferry flight of the related aircraft to CPAD facilities.
 - Functional and performance testing of the detachable mission equipment after the retrofit.

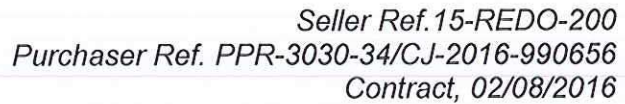
B. COMMERCIAL CONDITIONS**B.1. PRICES in EURO net, EXW (Incoterms 2010)**

| Item | Prices |
|------|--------|
| | |

The total contractual price is **3.839.000 €**.

Please note:

- All above stated net prices in Euro (VAT excluded) are firm and fixed for deliveries until April 1, 2018. The lay-up and NRC's are stated as separate positions in the price overview. In case of not ordering or cancellation of one or more modification tasks, the prices of the remaining items are subject to change.
- It is assumed that all proposed modifications will be implemented during one lay-up in order to share and then reduce the efforts for overall activities, e.g. work preparation, strip, weighing and handover of the A/C. In case, that some modifications are not selected, the efforts for overall activities have to be re-calculated and additional lay-up fees will be invoiced.
-

[illegible]

The Seller is entitled to issue an invoice after due execution of the work and its procedural acceptance by the Purchaser, confirmed by signature of the handover and acceptance certificate by both Parties. The invoice will be handed over to the authorized representative of the Purchaser during the acceptance procedure.

The invoice shall also include the designation of the Seller, Purchaser and invoice recipient (Czech Police Aviation Department, Post office 614, Box 35, Prague Airport, Hangar D, 161 01 Prague 6, Czech Republic).

Any delays of the retrofit program beyond April 1, 2018, not caused by the Seller, will result in an annual price escalation of [REDACTED]

B.4. FINAL PROVISIONS

The seller shall provide the purchaser with a list of subcontractors stating the subcontractors to which he has paid more than 10% of the total contract price. The seller shall submit a list of subcontractors within 60 days of completion of the contract.

The events of "labour disputes" and "labour shortages" being listed in paragraph 13.1 "Force Majeure" will be excluded from the STANDARD CONDITIONS OF SALE February 2016.

This Contract may be amended or terminated only in writing, in case of amendments to the Contract by consecutively numbered amendments.

This Contract is executed in two languages (English, Czech) always in four (4) original copies, of which the Purchaser receives three (3) copies and Seller one (1) copy. The governing language and text of this Contract shall be English. The translation of the English master version into Czech language is the duty of the Purchaser.

The Contractor agrees with publishing data related to this Contract including the total contract sum (no price details), except those parts which are objectively a trade secret, as well those parts of the Contract which are considered as a trade secret by the Contractor.

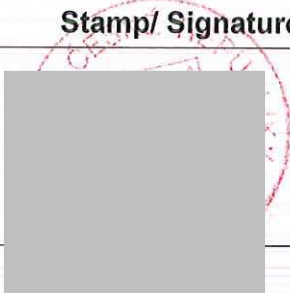
The parts of the contract not to be disclosed are following:

- The entire second paragraph of the part A.5. on the page 6.
- The entire content of the table in the part B.1. on the page 8.
- The entire third paragraph in the Note on the page 8.
- The entire content of the table in the part B.2. on the page 9
- The actual value of the price escalation in the part B.3. on the page 9.
- The Attachement – 1 in its entirety.
- The Attachement – 2 in its entirety.
- The Attachement – 3 in its entirety.
- The Attachement – 4 in its entirety.


B.5. ENTRY INTO FORCE

This Contract shall enter into force after signature of the Contract by both Parties.

For the Purchaser:

| Name | Date | Stamp/ Signature |
|--|--------------------|---|
| Tomáš HYTYCH Director of Czech Police Aviation Department | Prague, 5. 8. 2016 |  |

For the Seller (AIRBUS HELICOPTERS DEUTSCHLAND GmbH represented in the present case by AIRBUS HELICOPTERS):

| Name | Date | Stamp/ Signature |
|--|--------------------|--|
| Dietmar STROHOFER Sales Manager Europe, Global Business and Services acting on behalf of AIRBUS HELICOPTERS by virtue of the power of attorney dated 04/07/2016 | Prague, 05.08.2016 |  |



C. ATTACHMENTS

Please find below a list of attachments to this Contract.

C.1. LIST OF ATTACHMENTS

| | |
|----------------|---|
| Attachment - 1 | RETROFIT SCOPE |
| Attachment - 2 | STATEMENT OF WORK (SOW) |
| Attachment - 3 | AIRBUS HELICOPTERS Standard Conditions of Sale – February 2016 |
| Attachment - 4 | AIRBUS HELICOPTERS Standard Conditions of Sale - Specific Annex applying to the sale of Helicopter maintenance, repair, overhaul, upgrade, retrofit or inspection - January 2015 |