

10 July 2023

REQUEST FOR PROPOSAL (RFP)
for
FINANCE LEASE OF NEW ATR42-600 AIRCRAFT

(BID NO: 15/2023)

Island Aviation Services Limited
Dar Al-Eiman Building, Majeedhee Magu, Male'
20345

SUMMARY

Island Aviation Services Ltd (IASL) is a hundred percent government owned limited liability company established by a presidential decree on 13th of April, 2000. The company was initially established as an airline catering for the ever-growing demand for a domestic transport network. During a span of more than twenty-one years, the company has managed to become an established business operating an International airline all while providing a variety of services within the aviation industry.

IASL is the owner and operator of the National Airline of the Maldives, *Maldivian*, and is a hundred percent government owned limited liability company. The company operates its flights out of its primary hub in Velana International Airport (IATA: MLE; ICAO: VRMM).

The company initially provided domestic air transfer services to the regional airports within Maldives, along with being the handling agent for passenger, baggage and cargo as well as operating the CIP lounge at Velana International Airport (VIA). Since then, the airline operations of the company have grown to include International and Seaplane air transfer services while the airport ground handling services has been since reassigned to the Airport Operator at VIA. In addition to providing air transfer services domestically and internationally with a broad fleet consisting of Jet, Regional and Seaplane aircrafts, Island Aviation Services, under the brand name *Maldivian*, provides a diversified range of services related to the aviation industry. The company currently provides Airport Lounge Services, Airport Management Services, Engineering Services, Cargo Services as well as Travel Agency Services in addition to the core service of Airline.

Maldivian operates to more than 14 Domestic Airports with the current fleet of Regional Turboprop Aircrafts.

With the development of additional domestic airports and increase in the number of passengers utilizing the domestic services across the domestic network Island Aviation forecasts an increase in the domestic fleet utilization. In order to comply with Island Aviation's operational and expansion plan, we now invite all interested parties to submit proposals for the Lease of new or used ATR 42-600 aircrafts in the configuration further specified in the terms and conditions of this RFP.

DISCLAIMER

This Request for Proposal (RFP) is not an agreement and is neither an offer. The purpose of this RFP is to provide interested parties with information that may be useful to them in the formulation of their Proposals pursuant to this RFP.

IASL may in its absolute discretion, but without being under any obligation to do so, update, amend, modify or supplement the information, assessment or assumption contained in this RFP.

The issuance of this RFP does not imply that IASL is bound to select an or to acquire the selected, as the case may be, aircraft for acquisition and IASL reserves the right to reject all or any of the Proposals without assigning any reasons whatsoever and take any measures that it deems fit, including annulment or withdrawal of the RFP process (in whole or in part), at any time prior to the selection of the aircraft and without any liability or obligation or notice for such acceptant, rejection, withdrawal or annulment.

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1 Instructions to Respondents

1.1 Scope of Request for Proposal

This Request for Proposal (RFP) aims to solicit proposals (each a “Proposal”) from eligible parties (each a “Respondent” or a “Lessor”, as the context requires) to provide 2 (Two) new ATR 42-600 aircraft (the “Aircraft”) on the following basis of transaction;

2x aircraft: Finance Lease, expected delivery Q4 2023 and Q1 2025.

The term for the finance lease shall be atleast 15 years.

IASL and ATR are in final stage for the firm order for the two new ATR42-600 aircraft.

Expected Delivery Timeline: Quarter Q4 2023, Q1 2025.

Throughout the RFP documents:

The term “in writing” shall mean communicated in written form by email with proof of receipt.

“Day” means one working day in the Republic of Maldives.

1.2 Parties Qualified to apply

- (a) Aircraft owners
- (b) Aircraft Lessors
- (c) Commercial Banks
- (d) Financial Institutions
- (e) Entitites managed by or wholly owned directly or indirectly by any of the above categories or trusts whose beneficial interests is owned by an entity managed by or wholly owned directly or indirectly by any of the categories listed above.
- (f) Each shall posses the legal right to sign the lease agreement of the aircraft being offered.
- (g) Proposals from Brokers and intermediaries will not be accepted.

1.3 Offers for Aircraft

Respondents may submit Proposals for any number of aircraft provided that they meet the requirements specified herein.

1.4 Cost of RFP

The Respondent shall be responsible for its own costs incurred (including legal cost) in connection with the preparation and submission of its Proposal, and IASL under no circumstance will be responsible or liable for those costs regardless of the conduct or outcome of the bid.

1.5 Language

The Proposal, as well as all correspondence and documents relating to the Proposal (including supporting documents and printed literature) exchanged by the Respondent and IASL shall be written in English language. If a document is in a language other than English, then the respondent shall provide a true copy of that document in English.

1.6 Currencies of Proposal

All Prices shall be quoted in US Dollars.

1.7 Delivery Location

Lessor and IASL shall mutually agree on a delivery and re-delivery location, giving consideration to any tax consequences etc. Preference will be given to locations close to Velana International Airport.

1.8 Habitual Base

The aircraft will be habitually based at Velana International Airport (IATA: MLE), Republic of Maldives.

1.9 Documents Comprising the RFP

- (a) Respondent Profile: Each Respondent shall submit a brief Company Profile outlining their portfolios and customer details as per Clause 6 (Respondent Profile)
- (b) Additional Support: Additional Support package (such as training or any other credit available with Lessor or Manufacturer, spares support and spare engine support) if any, shall be provided as part of the Proposal.
- (c) Price Schedule: Lease rent, security deposit, maintenance reserves rates, and insurance values as per Clause 9 (Price Schedule). The amounts quoted shall be the amount applicable at the time of aircraft delivery to IASL.
- (d) Statement of Declaration: Respondents are expected to examine all instructions, minimum eligibility criteria and all other terms and conditions contained herein. Failure to comply with these requirements shall be at the Respondent's risk and may affect the evaluation of the Proposal or result in the rejection of the Proposal.

- (e) Each respondent shall provide a statement of declaration indicating acceptance of the terms and conditions of the RFP. Terms and Conditions which are not acceptable to the Respondent shall be clearly indicated on the offer.
- (f) The requirements included in this document are the minimum requirements of the aircraft and services solicited. The aircraft being proposed must meet or exceed all the requirements defined herein.

1.10 Deadline for submission of Proposals

- (a) Proposals conforming to the requirements set out herein must be submitted only by email to moo hath.mohamed@iasl.aero (with the reference number, Name, address and contact information of the Respondent clearly indicated in the email) by 23:59hrs Maldives time (Time difference to GMT is +5 hours) on **22 July 2023**.
- (b) Submittals will only be accepted in Adobe pdf format, except for aircraft information/data sheets which shall be accepted in XLS format.
- (c) No offer or Proposal shall be acknowledged or accepted unless they are copied to the following email accounts;
 - (i) mohamed.ziyau@iasl.aero
 - (ii) procurement.admin@iasl.aero
- (d) Any Proposal received by IASL after the Proposal submission deadline, for any reason whatsoever, shall be rejected and returned to the Respondent.

1.11 Proposal Submission Guideline

Respondent may submit a proposal using a zip file (7 zip) secured with a password and are requested to forward the password(s) to access the files on 23 July 2023.

Note: Proposal submitted by any Respondent that does not share the password during the specified time period shall be disqualified, as the Proposal document cannot be accessed by the team in the absence of the submitting Respondent's password. IASL will not take responsibility for any Proposal that gets disqualified due to the Respondent's failure to share the Password for document access.

Mail Capacity: The maximum capacity of a single mail is 20mb. Therefore, Proposals that are larger than 20mb must be emailed in separate emails to the submission email thread moo hath.mohamed@iasl.aero within the instructed timeframe.

1.12 Validity of Proposals

All Proposals shall be valid for a minimum period of 5 months from the due date of submission for Proposals.

1.13 Modification or withdrawal of Proposals

The Respondent may withdraw its Proposal after submission, provided that written notice of withdrawal is received by IASL prior to the deadline prescribed for submission. No proposal shall be modified or withdrawn in the interval between the deadline for submission of bids and the expiration of period of Proposal validity.

1.14 Amendment to RFP

At any time prior to the deadline for submission of Proposals, IASL may amend the RFP documents by issuing an addendum.

Any addendum issued shall be part of the RFP documents and shall be published in the official gazette of Maldives, uploaded to IASL website and will be communicated to Prospective Lessors.

1.15 Extension to Submission date

Prospective respondents shall be given reasonable time as IASL deems reasonable to take an addendum into account in preparing their proposals by extending the deadline for submission of Proposal.

1.16 Deliberation with Respondents

No Respondent shall be allowed to alter or modify their Proposal after the Proposals have been opened. However, IASL may seek and accept clarifications to the Proposal that do not change the substance of the Proposal.

1.17 Schedule of Events

The following schedule of events table represents IASL’s best estimate of the schedule that will be followed. All times indicated are prevailing times in Maldives. IASL reserves the right to adjust the schedule with prior notice as it deems necessary.

| Event | Time | Date |
|---|-------------|----------------|
| IASL issues RFP | - | 10 July 2023 |
| Deadline for submission of questions for clarification | 10:00 | 18 July 2023 |
| IASL provides answers/clarifications latest by | 18:00 | 19 July 2023 |
| Deadline for submission of Proposals | 23:59 | 22 July 2023 |
| Proposal evaluation completed and IASL notifies the 3 lessors whose offers have been determined to be the most advantageous Proposals | - | 05 August 2023 |

1.18 Clarification

- (a) A prospective respondent seeking any clarification about any aspect of the RFP or the project shall contact IASL prior to the appropriate deadlines indicated in the Schedule of events and such queries or questions shall be submitted in writing to: to moohath.mohamed@iasl.aero copied to procurement.admin@iasl.aero and mohamed.ziyau@iasl.aero.

- (b) IASL shall respond to any such requests provided that such requests are received within the allowed timeframe.
- (c) To assist in the examination, evaluation, comparison and post-qualification of proposals, IASL may, at its discretion, request any Respondent for a clarification of its Proposal. Any clarification submitted by a Respondent in respect of its Proposal but, not in response to any requests by IASL shall not be considered for the purpose of evaluation.
- (d) All requests for clarification and the response shall be in writing.
- (e) No telephone calls will be permitted.

1.19 Responsiveness of Proposals

- (a) The determination of a Proposal's responsiveness shall be based on the contents of the Proposal itself. A substantially responsive Proposal is one that conforms to all the terms, conditions and specifications of the RFP documents without material deviation, reservation or omission. A material deviation, reservation or omission is one that:
 - (i) Affects in any substantial way the scope, quality or performance of IASL's requirements specified in the RFP documents and or
 - (ii) Limits in any substantial way, inconsistent with the RFP documents, IASL's rights or the Respondent's obligations under the Contract; or
 - (iii) If rectified would unfairly affect the competitive position of other Respondents presenting substantially responsive Proposals.
- (b) If a Proposal is not substantially responsive to the RFP documents, it shall be rejected by IASL and may not subsequently be made responsive by the Respondent by correction of the material deviation, reservation or omission.

1.20 Non-conformities, Errors and Omissions

- (a) Provided that a Proposal is substantially responsive, IASL may waive any non-conformities or omissions in the Proposal that do not constitute a material deviation.
- (b) Provided that a Proposal is substantially responsive, IASL may request that the Respondent submit the necessary information or documentation, within a reasonable period of time, to rectify nonmaterial non-conformities or omissions in the Proposal related to documentation requirements. Such omissions shall not be directly or indirectly related to any aspect of the price of the Proposal. Failure of the Respondent to comply with the request may result in the rejection of its Proposal.

1.21 Preliminary examination of Proposals

- (a) IASL will examine the proposals to determine their completeness and order. Prior to the detailed evaluation of Proposals:
- (b) IASL will examine the Proposals to determine whether the following documents and information have been provided in the Proposal. If any of the documents or information is missing, IASL has the right to reject the Proposal.
 - (i) The Proposal is complete and does not deviate from scope.
 - (ii) Price schedule in accordance with Clause 9.
 - (iii) The documents have been properly signed
 - (iv) The Proposal validity meets the required period
 - (v) The Respondent is eligible and possess the requisite experience in aircraft leasing and management.
 - (vi) The Proposal does not deviate from the required technical requirements
 - (vii) The Proposals are generally in order.

1.22 Examination of Terms and conditions: Financial Evaluation

- (a) IASL shall examine the Proposals to confirm that all terms and conditions specified in schedule of requirements have been accepted by the Respondent without any material deviation or reservation.
- (b) IASL shall evaluate the Financial aspects of the Proposal submitted to confirm that all requirements specified in Schedule of Requirements of RFP have been met without any material deviation or reservation.
- (c) If following the examination of the terms and conditions and financial evaluation, IASL determines that the Proposal is not substantially responsive in accordance with clause 1.19, IASL shall reject the proposal.

1.23 Evaluation of Proposals

- (a) IASL shall evaluate each Proposal that has been determined, up to this stage of the evaluation, to be substantially responsive.
- (b) All Proposals shall be evaluated in accordance with the evaluation criteria and other terms and conditions set forth under Financial Evaluation Criteria.

- (c) IASL may at its discretion give consideration to other factors in evaluation of Proposals stated in RFP documents, such as Delivery timeline, Delivery location, Consensual Lease Termination, Buy-out of Re-delivery conditions and Direct Payments to MRO from Maintenance Reserves etc.

1.24 Comparison of Proposals

- (a) IASL shall compare all substantially responsive Proposals to determine the three most advantageous (highest evaluated) Proposals in accordance with section 5
- (b) Final comparison of the three shortlisted Proposals shall be in accordance with clause 5.3

1.25 Post qualification of the Respondent

- (a) IASL shall determine to its reasonable satisfaction whether the Respondent that is selected as having submitted the highest evaluated and substantially responsive Proposal is qualified to perform the Contract satisfactorily.
- (b) The determination shall be based upon
 - (i) An examination of the documentary evidence of the Respondent's qualification submitted by the Respondent pursuant to Clause 6 and any other information as IASL deems necessary and appropriate.
- (c) An affirmative determination shall be prerequisite for award of the Contract to the Respondent. A negative determination shall result in disqualification of the Proposal in which event, IASL shall proceed to the next highest evaluated Proposal to make a similar determination of that Respondent's capabilities to perform the Contract satisfactorily.

1.26 IASL's right to accept any Proposal and to reject any or all proposals

IASL reserves the right to accept or reject any Proposal and to annul the RFP process and reject all Proposals at any time prior to contract award or execution of the Lease Agreement without thereby incurring any liability to Respondents.

2 Award of Contract

2.1 Award criteria and Notification of Selection

- (a) IASL has the right to award the contract to the proposal that, in its opinion, is the most advantageous (highest evaluated), or to reject all proposals, without being liable in any way or giving the Respondents the right to file a claim of any nature. The decision adopted by IASL will be, in all cases, incontrovertible.

- (b) For the purpose of award, IASL will take into consideration (i) the delivery / re-delivery condition of the Aircraft; and (ii) economic and contractual conditions.
- (c) Following evaluation of Proposals as per clause 5, IASL will shortlist and notify in writing the three most successful Respondents whose offers have been determined to be the highest evaluated proposals, provided further that they have also been determined to be qualified to perform the contract to IASL's reasonable satisfaction.
- (d) Each unsuccessful Lessor shall also be promptly notified.
- (e) Upon notification to Lessors whose offers have been shortlisted, IASL reserves the right to request from them further improvements on their proposal and negotiate to reach a high-level agreement on the key aspects in relation to technical, legal, operational, financial and commercial terms of the leasing agreement.
- (f) Following further negotiations with shortlisted Lessors, IASL shall re-evaluate the Proposals in accordance with the evaluation criteria, taking into account the re-negotiated/improved terms.
- (g) Following re-evaluation, IASL shall notify the Lessor whose offer has been determined to be the highest evaluated Proposal of its selection and shall promptly notify the two unsuccessful Lessors of their rejection.
- (h) The award of contract for the selected Proposal shall be subject to IASL Board of Directors' approval.
- (i) Until a formal Contract is prepared and executed, the notification of selection shall not constitute a binding Contract.

3 General Conditions of Contract

Following terms and conditions shall be an integral part of the Lease agreement to be signed between IASL and the successful Respondent to whom the contract has been awarded.

3.1 Scope of Agreement

The Lease Agreement shall be for the Finance lease agreement of aircraft on terms and conditions as explained and defined in this Section 3 – General Conditions of Contract and Section 4 – Special Conditions of Contract.

3.2 Civil Aviation Authority and EASA Requirements

The Lease Agreement will be subject to obtaining all required approvals from Maldives Civil Aviation Authority (MCAA), Government Authorities, IASL Board of Directors and Lessor. Lessor must comply with the requirements

of Maldives Civil Aviation Authority (MCAA), and EASA prior to the delivery of aircraft. IASL shall ensure that all MCAA requirements are followed and complied with, in the operation of the aircraft during the lease term.

3.3 Payment Terms

- (a) Currency of payment: All the payments between the two parties shall be in US Dollars throughout the term of the contract.
- (b) Invoice: Lessor shall send the monthly rental invoice at least ten days before the start of each rent period.
- (c) Lease Rental: IAS shall pay the monthly lease rental by the due date.
- (d) Maintenance Reserves: Lessee shall make monthly maintenance reserves payments in arrears based on the actual hours and cycles (as applicable) flown in the preceding month.
 - (i) Preference will be given to Respondents who agree to return or credit any unused surplus Maintenance Reserves balance to IASL following each respective maintenance event.
- (e) Annual price escalation: Escalation of maintenance reserves rates shall not be more than 3.0% per year except engine Life Limited Parts, which shall be in accordance with the Engine Manufacturer's catalogue pricing of each year.

3.4 Inspection of Aircraft

- (a) IASL at Lessor's sole cost and expense have the opportunity to perform a physical inspection of the aircraft at its then-existing location at a date to be agreed and shall conduct a review of the technical records associated with the aircraft, which Lessor shall make available to IASL digitally or during physical inspection if required.
- (b) Throughout the inspection period, Lessor shall make available, as applicable, full access to the Aircraft and Technical Records and documents including back to birth history to Lessee and/or its agents for inspection. A subsequent approval will be required for signing to sign the Lease Agreement.
- (c) Additional documentation such as;

Certificates

- (i) Type Certificate, ATR type certificate data sheet, Noise Certificate, Form 52 or equivalent etc.

Technical Documentation

- (ii) Aircraft Modification List, Aircraft Inspection Report.
- (iii) Log Books: Aircraft, Engines, propeller, landing gear log book.

- (iv) Drawing of Interior configuration (LOPA and Emergency equipment),
 - (v) Airworthiness Directives and Service Bulleting incorporation list,
 - (vi) Summary maintenance status and maintenance forecast list (acceptable in .xlsx format),
 - (vii) Current Life Limited Parts list including engines and landing gears
 - (viii) And any other information or data which is reasonably requested by IASL shall be made available.
- (d) Lessor shall reasonably assist IASL as required and provide an appropriate facility such as a centralized room with air-condition and services such as internet, document scanning/printing and telephone.
- (e) The Preliminary Inspection shall be completed within not more than three business days and Lessor shall allow IASL sufficient ground time access to aircraft (no less than 8 hours) and its records for inspection during the period of inspection.

3.5 Pre-delivery Workscope

- (a) Cost of aircraft configuration, workscope to ensure compliance with delivery conditions and other requirements of IASL including engineering work orders according to EASA requirements shall be to the account of Lessor.
- (b) Upon completion of the preliminary inspection, Lessor shall be given a reasonable opportunity to procure at its own cost the repair of any defects which have caused IASL to be dissatisfied with the condition of the aircraft and any modifications which may be required by IASL.

3.6 Extension in Lease Period

IASL at its discretion shall have the option to extend the lease period beyond the expiry of initial lease term.

3.7 Aircraft Acceptance Procedure

The Aircraft Lease agreement shall further detail the aircraft delivery procedure. Aircraft Acceptance Process shall include among others, a full video borescope inspection and an acceptance flight test to demonstrate that the aircraft complies with the terms of the RFP.

3.8 Ferry Flight Assitance

The Lessor at its own cost including flight planning, flight preparation, overflight permits, landing permits, handling, catering, accommodation for operating crew, hotel transfers, route chart/load & trim sheets, fuel, visas, custom clearance upon arrival, return tickets except any cost arising out of IASL's personnel, shall ferry or shall procure a third party to ferry the aircraft from its location to IASL's habitual base.

4 Preferred Special Conditions of Contract

The details of IASL's special requirements are given below.

4.1 Consensual early termination of the Lease

Preference will be given to Lessors willing to agree upon consensual termination of the lease upon occurrence of certain events to be agreed upon in the Aircraft Lease Agreement.

4.2 Training

(a) In order to assist IASL with the entry into service of the Aircraft, Lessor at its own cost shall provide IASL with a training and support package as detailed in this Clause.

- (i) 6 Sets of ATR Flight type Rating Course (Each Flight Deck Crew comprising two Pilots)
- (ii) 2 ATR Cabin Crew Instructors Course
- (iii) 5 Maintenance Type Training Course (at Level 3 B1/B2)
- (iv) 3 ATR T3 Ramp and Transit course
- (v) 3 ATR T4 Base Maintenance Certifying Engineer Course
- (vi) 2 Engine run-up course

4.3 Spare engine support

Preference will be given to Lessors who commit to provide replacement/spare engines at no additional cost to IASL (except for maintenance reserves towards Engine Performance Restoration and Engine LLP replacement) when original engines titled to the Aircraft require Performance Restoration Shop Visits.

4.4 Direct Payments to MRO from Reserves

At IASL's request Lessor shall release funds from the respective Reserve Account for work performed on the Airframe, Engine, Landing Gear or APU, as applicable, directly to the Maintenance Provider performing such work.

4.5 Buy-out of Re-delivery conditions

Lessee at its discretion shall have the option to buy out any and all re-delivery conditions at the return of Aircraft.

5 Evaluation of Proposals

5.1 Technical Evaluation Criteria

- (a) There will be no technical evaluation criteria set forth in this RFP as the aircraft will be delivered with full IASL specification.

5.2 Financial Evaluation Criteria

- (a) The financial comparison will be based on the projected Net Present Value of Cash Flows over the Lease term.
- (b) The offer with the highest Net Present Value of cash Flow over the duration of the lease term will be considered as the most advantageous Proposal.
- (c) Marks will be calculated as per the following formula:

$$B = PVx / PVy \times 100$$

PVx = Net Present Value of Cash flow of offered Aircraft.

PVy = Highest Net Present Value of Cash Flow amongst all aircraft evaluated.

- (d) Total Revenue and Cost for the purpose of financial evaluation of Proposals will be calculated based on an assumed annual utilization of the Aircraft over the planned network.
- (e) Total Cost for the purpose of Financial Evaluation shall take into consideration;
 - (i) Estimated Induction Costs
 - (ii) Major maintenance cost exposure of airframe, engine, Landing gear throughout the lease term
 - (iii) Lease Rental
 - (iv) Preference will be given to Lessors who agree to reset the respective reserve account and return or credit any unused surplus balance following each relevant maintenance event.
 - (v) Potential cost savings from training and support package
 - (vi) Security Deposit
 - (vii) Estimated Re-delivery Cost

5.3 Methodology for Assessing the most advantageous Proposal

(a) Following methodology will be applied for assessing the most advantageous Proposal.

$$\begin{aligned} X &= [(B \times \text{Financial Evaluation})] \\ \text{Where,} \\ X &= \text{Net Outcome} \\ B &= \text{Marks obtained in Financial Criteria} \\ \text{FEW} &= \text{Financial Evaluation Weightage (100\%)} \end{aligned}$$

(b) The offer with highest Net outcome will be considered as the Most Advantageous Proposal.

6 Respondent Profile

(a) Each respondent shall provide following details on their official company letter head.

- (i) Registered Name & address of the Company:
- (ii) Date & country of Incorporation:
- (iii) A copy of the Certificate of Incorporation/registration certified by the Company Secretary or a person duly authorized on behalf of the Lessor/Respondent.
- (iv) Nature of Business:
- (v) Company type: Public, Private, other (please specify)
- (vi) Contact: Name, designation, email and telephone number.
- (vii) Company ownership proof:
- (viii) Type and size of fleet (List of aircraft with ownership rights should be provided)
- (ix) List of customer airlines (List of current/previous aircraft should be attached herewith)
- (x) Financial health (Please provide Audited financials for the past 4 years)

As the authorized representative of[name of the Company], I hereby confirm on behalf of[name of the Company] that the information provided above

are true and accurate and acknowledge that the Proposal of [name of the Company] submitted herewith shall be rejected in the event all or any of the information provided above is found to be incorrect.

Details of the Respondent's authorized signatory:

Name:

Designation:

Date:

Signature and Company stamp:

7 Aircraft Specifications

- (a) The technical specification of the two aircraft has been agreed between ATR and IASL . ATR and IASL has indentified and approved the a number of amendments to the ATR42-600 Technical Specification. The modified options and specification change notices (SCN) are listed below including the LOPA.

Technical Specification PES 81/16 Edition 2, Revision 0 - ATR "42-600" Technical Specification, December 2017

- (i) 48 seats at 30" pitch, front cargo door, standard configuration changed to 46 seats at 30" pitch through option 25-2580.
- (ii) Cabin interiors "Armonia"; SMART Galley A02/1 + coatroom changed to SMART Galley A03/1 + H1/3 through options 25-2379 and 25-2380.
- (iii) Collins RadioCom/RadioNav equipment.
- (iv) Pratt & Whitney PW 127XT engines & Hamilton/Sundstrand 568F propellers.
- (v) New Avionic Suite Standard 3, Cat.2 Autopilot, T²CAS (TCAS II Version 7.1)
- (vi) GPS Thales TOPSTAR ETSO C146/C145 coupled to dual FMS
- (vii) ADS-B Out DO-260, Dual VHF 8.33kHz/25kHz, DFDR 88 parameters recording, AFCS coupled to Baro VNAV
- (viii) T3CAS replacing T²CAS as a standard

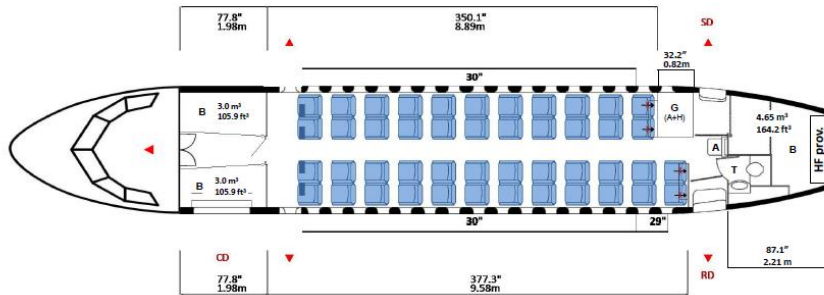
Options and SCNs

| | | |
|------|---------|--|
| | 04-0034 | Take off at "Reserve Take-Off Torque" |
| SCN | 11-0062 | Exterior decoration (standard 3) |
| SCN | 11-0115 | Cabin multilanguage sticker placards (English/Madivian) |
| SCN | 11-0116 | A/C owner ID plate installation on toilet partition |
| SCN | 11-0117 | Multilanguage exterior placards (English/Madivian) |
| SCN | 11-0140 | Cargo multi-language placard stickers |
| | 11-0144 | Base-Coat / Clear-Coat painting system for exterior decoration |
| MSCN | 21-0063 | Install New Air Management System (NAMS) |
| | 23-0046 | Third Audio Control Panel (ACP) |
| | 23-0155 | Provision for single or dual Collins HF 9000 |
| | 23-0176 | Provision for SELCAL system |
| | 23-0182 | Provision for Collins ACARS system and datalink recording on SSCVR |
| SCN | 25-0070 | Cabin Harmony |
| | 25-0077 | Passenger life vest |
| | 25-0177 | Seat installation compliant with emergency landing requirements (HIC) |
| | 25-0264 | Passenger seats identification (type 2- AB/CD) |
| | 25-0432 | Route manual stowages in cockpit |
| | 25-2047 | Cockpit security door |
| | 25-2051 | Cabin video surveillance |
| | 25-2061 | Aft LH bulkhead partially foldable |
| | 25-2121 | Survival ELT installation |
| SCN | 25-2160 | Repositionable cabin divider |
| SCN | 25-2275 | Modified Safety Equipment Layout |
| | 25-2280 | Immedio leather on passenger seats |
| | 25-2303 | Infant life vests (Qty 10) |
| | 25-2379 | "A+H" type SMART galley equipment (A03/1+H1/3) |
| | 25-2380 | "A+H" type SMART galley installation (A03/1+H1/3) |
| SCN | 25-2451 | Seven "Neo-Prestige" passenger seats "Trendy" (blue cover) installation and customization |
| | 25-2463 | Additional Seven "Neo-Prestige" backrest break over (Qty 4) |
| | 25-2576 | Adult light seat belt extensions (Qty 5, P/N 1027-2-011-8002) |
| | 25-2577 | Infant light seat belt (Qty 10, P/N 1027-2-011-8023) |
| | 25-2594 | Enhanced comfort Captain and First Officer seats |
| MSCN | 25-2618 | Two additional pairs of fire fighting gloves in cabin |
| | 25-2663 | LOPA Neo seats: 46 pax seats at 30/29" pitch interior configuration - A+H Galley - HIC compliant |
| MSCN | 26-0001 | Lavatory fire extinguisher filled with green agents |
| MSCN | 26-0005 | Replacement of HALON portable fire extinguishers |
| | 31-0074 | Provision for PEDs installation in the flight deck (251*196mm) |
| | 34-0137 | Second Collins DME installation |
| | 34-0201 | Second GPS receiver installation |
| | 34-0209 | SBAS and LPV approach |
| | 34-0215 | ADS-B Out DO-260B |
| | 44-0003 | T-PED Wi-Fi compatibility with Aircraft systems |

MSCN 72-0029 Installation of PW127XT-M engine

Cabin Layout

LOPA Neo Seats: 46 pax seats at 30"/29" pitch through Option 25-2663 - "HIC" compliant (CS25.562(c))
 Front/LH cargo door, straight forward cabin partition
 "Armonia" cabin interiors, Geven "Neo-Prestige" (recline except on last rows (special upright)) pax seats
 Smart Galley type "A+H"
 Provision for Single or Dual HF



Legend:

- A Cabin attendant seat
- B Baggage compartment
- CD Cargo door
- ▲ Emergency exit
- RD Rear door
- SD Service door
- T Toilet
- G() Galley (Type)

| Baggage Volumes: | m ³ | ft ³ |
|-------------------------------------|----------------|-----------------|
| Baggage compartments | 10.65 | 376.1 |
| Baggage / pax | 0.231 | 8.17 |
| Total baggage (incl. overhead bins) | 12.82 | 452.7 |
| Total baggage / pax | 0.278 | 9.84 |

Drawing not for scale

8 Manuals and Documents

The lessor shall provide following documents/records/manuals at the time of aircraft inspection / before the delivery of the aircraft.

Engineering

1. Approved Maintenance Program
2. Aircraft AD/SB/STC status
3. CPCP or applicable Corrosion Prevention Program compliance
4. Structural Repair approvals record (SRM, RD, Other)
5. Dent / Damage repair chart
6. List of fly away equipment
7. Engine record
 - i. Last test cell reports
 - ii. LLPs status and back to birth traceability
 - iii. ADs compliance report (engines, APU & aircraft)
 - iv. Engine mod/SB/Inspection report & applicable forms
 - v. Last Heavy maintenance records for engine modules
 - vi. Engine removal history

- vii. Past year trend and condition monitoring reports
- viii. Historical BSI reports
- ix. Engine log books, Aircraft and APU log books
- x. Component readiness (Hard Time and On-Condition items)
- xi. Aircraft Inspection readiness (Last done Next due)
- xii. Engine and Landing Gear LLP list with Back to Birth
- xiii. Technical log, cabin and flight log books
- 8. One Flight Attendant Manual by Manufacturer per Aircraft
- 9. One Ramp Handling Manual per Aircraft
- 10. Historical Data including Original Manufacturer Delivery Documents
- 11. HT and OCCM component status.
- 12. Last Done & Next Due status.
- 13. Aircraft Maintenance Checks (A,C, 6Y, 12Y) etc
- 14. AMP Status
- 15. Up to date Technical Log Book entries.
- 16. Used fluid status on Airframe/Engine/APU etc.
- 17. Latest Aircraft Weighing Report
- 18. Any concessions applied including repeat inspections.
- 19. Deferred defects and carry forward defects.
- 20. Latest LOPA & Emergency Equipment List.
- 21. Latest status of software installed on the aircraft.
- 22. Galley installed components list.
- 23. Airframe LLPs
- 24. ECM Data for last 3 months

9 Price Schedule

9.1 Lease Rental

| Description | Amount in US Dollar |
|----------------------|---------------------|
| Monthly lease rental | |

9.2 Security Deposit

| Description | Amount in US Dollar |
|---|---------------------|
| Security deposit (refundable upon aircraft re-delivery) | |

9.3 Maintenance Reserves

| Supplemental Rent | | | |
|--------------------|----------------------|--------|-----------|
| Maintenance Events | Reserved Rates (USD) | | |
| | Per FH | Per FC | Per Month |
| Airframe | | | |

| | | | |
|---|--|--|--|
| 1C Check | | | |
| 2C Check | | | |
| 4C Check | | | |
| 4Yr Inspection | | | |
| 8Yr Inspection | | | |
| Cycles Structural Check (Less than 36000 cycle check) rates to be applied until 36K event performed | | | |
| Cycles Structural Check (Greater than 36000 cycle check) rates to be applied after 36K event. -36K Threshold/12K interval Task events -36K Threshold/18K interval Task events -36K Threshold/24K interval Task events | | | |
| Landing Gear | | | |
| LH Main Landing Gear Assembly | | | |
| RH Main Landing Gear Assembly | | | |
| Nose Landing Gear Assembly | | | |
| Engine | | | |
| Engine Hot Section Inspection | | | |
| Engine TMM Overhaul | | | |
| Engine RGB Overhaul | | | |
| Engine LLP replacement | | | |
| Propeller | | | |
| Overhaul Hub | | | |
| Actuator | | | |

| | | | |
|------------------|--|--|--|
| Transfer Tube | | | |
| Adjusting Nut | | | |
| Propeller Blades | | | |

9.4 Maintenance Reserves rates escalation

| Description | Percentage | Remarks (if any) |
|--|------------|------------------|
| Annual escalation of maintenance reserves rates (except engine Life Limited Parts which shall be tied to the Manufacturer's catalogue pricing) | | |
| Percentage of Stub Life added to LLP reserve rate | | |

9.5 Insurance

| Description | Amount in US Dollar | Amount in words |
|--|---------------------|-----------------|
| Aircraft Hull Value / Agreed value | | |
| Comprehensive liability coverage - minimum | | |

9.6 Other terms (if any)

| Description | Amount in US Dollar |
|-------------|---------------------|
| | |

Notes:

All rates shall be quoted in US Dollars and shall be the applicable Net amount payable to the Lessor at the time of aircraft delivery.

Signature:..... [of the person signing the Proposal]

Name & Designation:.....[of the person signing the Proposal]

10 Re-delivery conditions

- (a) Return Airframe Check
- (b) Airworthiness Directives
- (c) Engines Performance
- (d) Engines LLP
- (e) Landing Gears, Tires Wheels and Brakes
- (f) Hard Time Parts
- (g) On-Condition or Condition-Monitored Parts
- (h) Age of Parts
- (i) Life Limited Parts
- (j) Paint