

Appendix no. 3

CONTRACT No.DN/2017

concluded on, hereinafter referred to as the Contract, by and between:

Lotnicze Pogotowie Ratunkowe, with its registered office in Warsaw at ul. Księżycowa 5, postal code 01-934 Warsaw, entered to the National Court Register of Associations, Other Social and Professional Organisations, Funds and Public Healthcare Establishments under no. 0000144355, maintained by the District Court for the capital city of Warsaw, XIII Commercial Department of the National Court Register, REGON 016321074, NIP 522-25-48-391,

hereinafter referred to as the **Awarding Entity**, represented by:

Robert Gałązkowski, Director

and

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hereinafter referred to as the Parties

As a result of the public contract award proceedings carried out by means of an open tendering procedure no. ZP/1/I/2018 “**Delivery of parts being airframe equipment of Piaggio P.180**”, pursuant to Article 39 of the Act of 29 January 2004 – Public Procurement Law, the Parties have concluded a Contract with the following content:

§ 1

1. The object of the Contract shall be deliveries of airframe parts brand new parts hereinafter referred to also as **Parts**, for Piaggio P.180 airplanes, executed by the Contractor on the Awarding Entity's commission.
2. The list of Parts together with prices is specified in the Price Form being Appendix no. 1 hereto.

§ 2

1. The Parties agree that the value of the Contract shall be up to the amount of (currency) on the basis of the Contractor's Quotation of
2. The value of the Contract specified in par. 1 does not include the costs of delivery of the Parts from the Contractor to the Awarding Entity (Incoterms 2000, EXW - Ex Works), subject to § 3 par. 11. The Parts delivery shall be carried out at the Awarding Entity's expense and risk, in the manner indicated in § 3 par. 13.
3. The Awarding Entity reserves the right to perform the Contract to an incomplete extent. The Contractor shall not be entitled to any claims for damages against the Awarding Entity in respect of the said limitation of the scope of the Contract.
4. The term of this Contract shall be 24 months, counted from the day of signing the Contract or until the amount specified in par. 1 is exhausted – whichever occurs earlier.

§ 3

1. The deliveries of parts shall be carried out in line with the ongoing needs of the Awarding Entity based on written orders sent to the Contractor by email to the address: or by fax to the number: within 90 days counted from the date of receiving the order by the Contractor.
2. The Awarding Entity shall from time to time specify the following in the order:
 - order number,
 - part number,

- part quantity,
 - part delivery address,
 - preferred manner of collecting the Parts from the Contractor.
3. The Awarding Entity permits that the Contractor may deliver Parts with an alternative number, other than that specified in Appendix no. 1 hereto, provided that this fact is earlier agreed with the Awarding Entity and a written confirmation is received from the Awarding Entity to the fax number or email address:
 4. The price offered for parts with an alternative number may not be higher than the price of the Parts originally described and priced in the Price Form. Any change of the price to a lower one shall not require an annex hereto.
 5. The Contractor shall from time to time upon receiving an order confirm its receipt for processing within 48 hours by email to the address dlit@lpr.com.pl or by fax to the no. (+4822) 22-99-993. In the confirmation, the Contractor shall provide the address for collecting the Parts and the expected order lead time.
 6. The order lead time confirmed in writing by the Contractor may be extended where the Awarding Entity introduces significant changes to the order content. The new order lead time shall be agreed in the form of a written agreement between the Parties.
 7. In the case of force majeure referred to in § 8 or other circumstances independent of the Contractor, of which the Awarding Entity is notified by the Contractor in writing, the Parties shall agree an individual order lead time, other than that specified in par. 1, in the form of a written agreement, and shall make all effort to accelerate the order lead time as much as possible. Situations where the time-limits of Part delivery are not complied with by the Contractor's suppliers shall not be deemed as circumstances independent of the Contractor, unless the Awarding Entity approves a detailed written justification served by the Contractor.
 8. The date of giving a written notice to the Awarding Entity of the Contractor's readiness for handing over the ordered Parts to the Awarding Entity or the Awarding Entity's carrier shall be deemed as the date of order completion. The Contractor shall immediately launch the transport of the Parts confirmed for shipment, provided that the Awarding Entity has earlier specified the manner of transport and all necessary data of the carrier indicated for the transport.
 9. The Parts shall be handed over based on a hand-over report, signed by both Parties, which shall include the following:
 - a) part name with quantities and identification numbers provided (p/n – part number, s/n – serial number),
 - b) identification numbers of the documents referred to in § 5,
 - c) delivery date,
 - d) place for comments.
 10. Where the Contractor fails to include the information referred to in par. 9 in the hand-over report or to hand over the documents referred to in § 5, the Awarding Entity and the Contractor shall agree on the conditions for collecting the Parts on condition that the time-limit for remedying the inconsistencies does not exceed 7 days counted from the date of notifying the inconsistencies.
 11. In each case, the Contractor shall provide such packaging for the Parts free of charge that is required to protect the Parts against damage during transport to the Awarding Entity.
 12. The Contractor undertakes to provide Parts for collection and arrange their shipment only from the European Union.
 13. The delivered Part shall be transported at the Awarding Entity's expense and risk by a carrier indicated by the Awarding Entity, save as the situation referred to in par. 14.
 14. In the case of emergencies (e.g. force majeure, referred to in § 8), the Contractor may organise transport to the Awarding Entity on its own and at its own expense and risk, if so agreed by the Parties. Such transport may be settled by the Contractor by issuing a separate VAT invoice, which shall be settled outside this Contract, to the Awarding Entity.
 15. Where it is found that the Contract has not been performed in terms of shortage in the quantity of the delivered Parts, the Contractor shall replenish the shortage in the quantity within the time-limit of the order delivery and organise transport at its own expense and risk.
 16. The Contractor shall immediately notify the Awarding Entity in writing of the following situations independent of the Contractor:

- a) impossibility to comply with the contractual obligations in whole or in part,
- b) impossibility to comply with the time-limits arising herefrom.

§ 4

In the case of orders processed in the AOG mode:

1. The Contractor shall provide the possibility to receive and process the orders submitted by the Awarding Entity 24/7, provided that the ordered parts are available.
2. The Contractor shall from time to time confirm the acceptance of an order for processing to the Awarding Entity by email to the address dlt@lpr.com.pl or by fax to the number (+4822) 22-99-993, within 24 hours counted from the moment of sending the order by the Awarding Entity.
3. In the case of availability of the ordered Parts, the Contractor undertakes to provide, prepare for shipment, and organise the transport of the Parts within 72 hours, counted from the moment of sending the order by the Awarding Entity exclusive of the statutory holidays (the holidays shall apply based on the Contractor's principles and are indicated for the term of the Contract in Appendix no. 2 hereto).
4. In the case of unavailability of the ordered Parts, the Contractor shall within 24 hours counted from the moment of sending the order by the Awarding Entity notify the Awarding Entity in writing by email to the address dlt@lpr.com.pl or by fax to the number (+4822) 22-99-993 of the soonest possible order lead time.
5. The Awarding Entity may cancel an order submitted to the Contractor by sending a notice by email to the address or by fax to the number, not later, however, than prior to receiving a written confirmation from the Contractor of the acceptance of the order for processing.
6. Apart from the information referred to in § 3 par. 2, the Awarding Entity shall also specify the following in an AOG mode order:
 - airplane type and factory number;
 - a brief description of the airplane's fault.

§ 5

1. The Contractor shall supply the following documentation with the Parts:
 - 1) for non-standard parts:
 - a) an up-to-date EASA Form 1 or another equivalent document (FAA, TCAA), confirming the completion of the object of the Contract;
 - b) Log Card (if applicable).
 - 2) for standard parts – Certificate of Conformity:
 - a) *within the meaning of the Commission Regulation (EC) No. 1321/2014 of 26 November 2014 on the continuing airworthiness of aircraft and aeronautical products, parts and appliances, and on the approval of organisations and personnel involved in these tasks,*
 - b) *as defined by the agreement between the United States of America and the European Community on the cooperation as to the regulations concerning the civil aviation safety, 8312/09, Brussels, 1 March 2011,*
 - c) *as defined by the agreement between the Transport Canada Civil Aviation (TCCA), and the European Aviation Safety Agency (EASA), on the principles specified in the Decision No. 2004/02/CF of the EASA Executive Director, of 10 December 2004, "on the acceptance of certification findings made by Transport Canada, Civil Aviation Department (TCCA) for products designed in Canada."*
2. The Contractor shall deliver the Parts which hold all Airworthiness Directives, service bulletins, modifications (if applicable) in force as at the day of sending them to the Awarding Entity.
3. Save as the situation described in par. 4, the Awarding Entity does not agree to delivering PMA (Parts Manufacturer Approval) type parts.
4. Where it is impossible to deliver original parts (e.g. as a result of force majeure, referred to in § 8) by the Contractor, the Awarding Entity permits the use of PMA type parts only upon prior written consent sent to the Contractor.
5. In the case of perishable parts (standard parts, disposable parts) of a limited term of fitness for use, the Contractor shall deliver only such parts whose term of fitness for use is not shorter than

12 months counted from the date of sending the parts to the Awarding Entity.

§ 6

1. The Contractor shall furnish warranty for the parts enumerated above: (at least 1,000) hours of flight / (at least 1000) cycles* or (at least 12) months counted from the date of incorporating the Parts in the airplane or (at least 18) months counted from the date of collecting the Parts by the Awarding Entity from the shipment place referred to in § 3 par. 12 – whichever occurs earlier.
2. The selection of the time between overhauls (hours or cycles), referred to in par. 1, depends on the type of the time between overhauls of the component which is an object of a warranty claim.
3. The Contractor shall be fully liable for legal and physical defects of the Parts, in particular where the Parts:
 - a) are owned by a third party or are encumbered by third party rights,
 - b) have a defect reducing their value or usability arising from the intended use,
 - c) do not meet the requirements specified by the Awarding Entity in § 5.
4. The Awarding Entity shall notify the Contractor in the form of written warranty claims sent by email to the address or by fax to the no. of any unserviceability of the Parts during the warranty period.
5. The notice referred to in par. 4 shall be sent by the Awarding Entity within 14 days counted from the date of occurrence of a fault in the part being the object of the warranty claim.
6. The Contractor shall from time to time confirm the receipt of the warranty claim in writing to the email address dlt@lpr.com.pl and by fax to the no. (22) 22-99-933. The Contractor shall notify the Awarding Entity of further conduct concerning the processing of the warranty claim in the same manner within 5 days counted from the date of receiving the warranty claim.
7. The Contractor shall, within 30 days, replace the part for one free from defects or repair the defective part. The period of the warranty furnished for the part being the object of the warranty claim shall be prolonged by the time during which the Awarding Entity was unable to use the part.
8. In the case of replacement of defective parts for ones free from defects, the Awarding Entity shall return the defective parts to the Contractor within 14 days counted from the date of handing over the parts free from defects.
9. In the case of force majeure referred to in § 8 or the occurrence of other circumstances independent of the Contractor, of which the Awarding Entity is notified by the Contractor in writing, the Parties shall set an individual completion time of the warranty claim in the form of a written agreement – a different one than that specified in par. 7 or based thereon, and shall make effort to maximally accelerate the completion time of the warranty claim. Situations where the time-limits of Part delivery or repair are not complied with by the Contractor's suppliers shall not be deemed as circumstances independent of the Contractor, unless the Awarding Entity approves a written justification served to the Awarding Entity by the Contractor.
10. The Awarding Entity shall have the right of its representatives' participation in the processing of a warranty claim.
11. The Contractor shall, at the Awarding Entity's request, notify it of the commencement date of processing the warranty claim at least five days in advance in order to enable the participation of the Awarding Entity's representative in the said processing of the warranty claim.
12. As part of the processed warranty claim:
 - a) In the case of a spare part delivery, the Contractor shall cover all costs of transporting the serviceable spare part to the Awarding Entity's registered office. The Contractor shall also ensure, free of charge, a proper packaging for the Part protecting it from damage in transport. The Contractor shall be also liable for any damage arisen in said transport. The Awarding Entity, in turn, shall cover the costs involved in sending the defective part back to the place indicated by the Contractor within the European Union,
 - b) In the case of a defective part repair, the Contractor shall cover all costs of transporting the serviceable spare part to the maintenance organisation holding a valid approval for providing maintenance as part of the processed warranty claim and holding a formal approval by an aviation authority: EASA (European Aviation Safety Agency) or FAA (Federal Aviation

Administration) or TC (Transport Canada). The Contractor shall also ensure, free of charge, a proper packaging for the Part protecting it from damage in transport. The Contractor shall be liable for any damage arisen in said transport. The Awarding Entity, in turn, shall cover the costs involved in sending the repaired part back to the place indicated by the Contractor within the European Union.

13. Where the warranty claim is rejected:
 - a) The Awarding Entity shall pay the Contractor for the part free from defect, delivered as part of the warranty, the price indicated in the Price Form applicable for standard delivery, valid on the date of sending the warranty claim to the Contractor.
 - b) The Awarding Entity shall reimburse the Contractor for all costs related to verification and transport of the part which was sent for repair in the maintenance organisation referred to in subpar. 12b) as part of the warranty claim.
14. The rejection of a warranty claim by the Contractor shall be substantiated in a written report prepared by a relevant maintenance organisation referred to in subpar 12b).
15. If the warranty claim referred to in subpar 12b) is rejected, the Contractor shall return the part being an object of the warranty claim to the Awarding Entity within 14 days counted from the day of notifying the Awarding Entity of the warranty claim rejection.
16. The warranty shall not apply if the Part was exposed or subjected to:
 - a) any maintenance, repair, incorporation, transport, storage, or use which is incorrect; or
 - b) any alteration, modification or repair by anyone other than the Part 145 Organisation of the Awarding Entity (only within the scope of approval of this organisation), the Contractor or an entity authorised by the Contractor; or
 - c) any accident, contamination, damage caused by foreign objects or misuse after delivery to the Awarding Entity.
17. This warranty shall be an exclusive warranty and supersede any and all other written and verbal warranties expressed directly, implied and specified by law, including (but not limited to) any implied warranties of merchantability or fitness for primary use, which are hereby excluded.

§ 7

1. The payment for the delivery of the Parts shall be made based on the VAT invoice correctly issued by the Contractor after the date of handing over the Parts, within 30 days from the day of receiving the invoice by the Awarding Entity.
2. The payment for the VAT invoice referred to in par. 1 shall be made to the Contractor's bank account:
3. Each of the Parties shall bear banking costs at its own bank.
4. The Parties shall deem the day of debiting of the Awarding Entity's bank account as the date of payment.
5. If the payment deadline is not complied with, the Contractor shall have the right to charge the Awarding Entity with statutory interest.

§ 8

1. The Parties shall not be liable for delays arising from the emergence of force majeure. The Parties shall understand force majeure as circumstances impossible to foresee at the time of concluding the Contract, regardless of Parties' will, on which neither Party had influence and which neither Party could prevent. The following shall be deemed in particular as force majeure: natural disasters, calamities, military mobilization, embargo, closing of borders, preventing from total or partial completion of the Contract.
2. The Party afflicted by such force majeure shall immediately notify the other Party in writing of the event and notify of the anticipated duration of the obstacle in the performance of the Contract, otherwise that Party shall forfeit the right to invoke a force majeure case. The Parties agree to take immediate actions aiming at specifying the method of solving the situation and performing the provisions hereof.

§ 9

1. The Parties shall have the right to terminate the Contract in whole or in part with immediate effect during the whole term of the Contract, with the Awarding Entity having the right to terminate the Contract within 6 months from occurrence of one of the following cases:
 - a) the Contractor has breached Contract essential provisions;
 - b) the Contractor has forfeited the powers necessary for completing the Contract;
 - c) causes for which the Contractor is not responsible have occurred.
2. In the case of terminating the Contract:
 - a) The Contractor shall pay to the Awarding Entity an amount equal to 2% of the gross non-performed Contract value, specified in § 2 par. 1, where the Contractor terminates the Contract due to reasons for which the Awarding Entity is not responsible.
 - b) The Awarding Entity, save as the situation described in par. 7, shall pay an amount equal to 2% of the gross price of the non-performed Contract value, specified in § 2 par. 1, to the Contractor, where the Awarding Entity terminates the Contract due to reasons for which the Contractor is not responsible.
 - c) Where the Awarding Entity terminates the Contract for reasons specified in par. 1(a), the Contractor shall pay the Awarding Entity an amount of 2% of the non-performed Contract value, specified in § 2 par. 1.
3. Where any of the Parties terminates the Contract, each Party may claim damages exceeding the contractual amount specified in subpar. 2b).
4. The Contract shall be terminated in writing or otherwise it shall be invalid, and it shall contain substantiation.
5. In the case of delays in complying with the time-limits for fulfilling the obligations hereunder when processing orders, the Contractor shall pay the Awarding Entity the amount of 0.1% of the gross value of a given order for each started day of delay over the time-limit specified under the Contract, not more, however, than 2% of the total gross value of the order whose lead time was not observed.
6. In the case of delays in complying with the time-limits for processing the warranty claims arising from the Contract, the Contractor shall pay the Awarding Entity the amount of 0.1% of the gross value of a given order for each started day of delay over the time-limit specified under the Contract, not more, however, than 2% of the total gross value of the part being the object of the warranty claim.
7. Where a significant circumstance changes resulting in the Contract performance not being in public interest, which could not have been foreseen on concluding the Contract, the Awarding Entity may renounce the Contract within 30 days of becoming aware of such a circumstance. In connection with this situation the Contractor may demand only remuneration due in respect of the completed part of the Contract.
8. Should a flagrant violation of the Contractor's obligations arising from the Contract be ascertained, the Awarding Entity shall have the right to terminate the Contract without notice, and the Contractor shall pay a contractual penalty amounting to 2% of the non-performed gross value of the Contract.
9. The Awarding Entity shall understand the following in particular as flagrant violation of the obligations referred to in par. 13:
 - a) at least 2 occurrences of failure to process orders and/or warranty claims received from the Awarding Entity under the Contract without providing a relevant substantiation explaining the actual cause of the failure to process the order and/or the warranty claim,
 - b) at least 2 occurrences of failure to observe the order lead times agreed upon by the Parties.
10. The amounts referred to in subpar. 2(a), par. 5-6, par. 8 shall be deducted first of all from the remuneration due to the Contractor, to which the Contractor consents and authorises the Awarding Entity without the need to obtain confirmation.
11. Where such damage occurs that exceeds the amounts referred to in par. 2, par. 5-6, par. 8, the Parties shall have the right to claim damages on general principles.
12. In exceptional unforeseeable situations, the Contractor may, during the entire term of the Contract performance, refuse to deliver the part indicated in the order referred to in § 3 par. 1 twice in a

quarter of a calendar year provided that it submits a written statement to the Awarding Entity with a relevant substantiation of emergence of circumstances independent of the Contractor preventing part delivery (e.g. the market level of increase in the price of the part being the object of the order, preventing its approval on the conditions described in § 11 subpar. 1n) or impossibility to obtain the part from the manufacturer for reasons independent of the Contractor). Situations where the time-limits of part delivery or repair are not complied with by the Contractor's suppliers shall not be deemed as circumstances independent of the Contractor.

13. The Contractor shall be liable for the activities performed by its suppliers, which affect the Part delivery date, as if they were its own activities.
14. In the case referred to in par. 13 the Awarding Entity shall have the right to renounce the Contract within the scope of the non-performed part of the Contract without applying the provision referred to in § 9 subpar. 2c).

§ 10

Any and all notices and other communications regarding the Contract shall be sent by email or fax.

§ 11

1. Pursuant to Article 144 of the Public Procurement Law, the Parties agree that significant amendments to the Contract may be made in the following situations:
 - a) if the current legal regulations applicable while awarding public procurement contracts are amended, the wording of the Contract shall be amended accordingly to the implemented legal regulations,
 - b) if the VAT rate changes – the net price shall not be changed, only the gross price shall be changed,
 - c) change in the minimum wage amount determined pursuant to Article 2 par. 3-5 of the Act of 10 October 2002 on the Minimum Wage, the amount of the remuneration due to the Contractor may be changed if the changes affect the cost of contract performance by the Contractor,
 - d) trade names of the Parts specified in the quotation change, in the case of changing trade names of the Parts on the market,
 - e) changes of completion times of warranty claims and the manner of processing warranty claims due to reasons independent of the Contractor or the Awarding Entity, which shall be properly evidenced by each of the Parties hereto,
 - f) changes of order lead times by the Contractor arising from a permanent change of delivery time-limits on the market, which shall be properly evidenced by the Contractor,
 - g) change of order lead times due to circumstances or events preventing completion of orders within the set time-limit which were beyond the control of the Parties hereto,
 - h) change in the manner of settling the Contract or making payments for the Contractor arising from the changed market situation,
 - i) change in the method of organising transport,
 - j) changes in the quantity of individual Parts indicated in the quotation in the entire term of the Contract performance within the amount specified in § 2 par. 1,
 - k) changes in the payment time-limits for reasons independent of the Contractor or the Awarding Entity, which shall be properly evidenced by each of the Parties,
 - l) change in the manner of performing contractual obligations, provided that such a change is beneficial for the Awarding Entity or necessary for proper Contract performance,
 - m) failure to use the maximum objective value, then the objective performance time-limit may be prolonged, not longer, however, than by six (6) months.
 - n) The Awarding Entity permits the possibility of increasing the prices specified in Appendix no. 1 during the term of the Contract, by up to 10% from time to time, not more often, however, than twice a calendar year, not more often than every 6 months. The prices included in Appendix no. 1 shall not be changed for the first time prior to the elapse of 6 months from the date of signing the Contract. The Contractor shall send the information about its intention to increase the price together with the evidence that the change of the prices does not result from reasons for which the Contractor is responsible and the Contractor shall indicate which Parts

on the list are subject to price increase. The total value of the orders completed by the Contractor shall not exceed the Contract value specified in § 2 par. 1.

2. Any amendments to the provisions of the Contract (save the ones specified in § 3 par. 6-7, § 11 subpar. 1d), k)) shall be in writing in the form of an annex, or otherwise they shall be invalid.

§ 12

1. Any matters not regulated herein shall be governed by the provisions of the Civil Code and the Public Procurement Law.
2. This Contract shall be governed by, construed and interpreted in accordance with the Polish law and any provisions which would invoke the application of the law of another jurisdiction are hereby expressly excluded.
3. Any disputes related to the performance of the Contract shall be resolved by a court competent for the Awarding Entity's registered office.
4. This Contract was drawn up in 4 identical counterparts, including three for the Awarding Entity.
5. The Appendices to the Contract being its integral part shall be:
 - 1) Appendix no. 1 – Contractor's Quotation,
 - 2) Appendix no. 2 – List of the Contractor's holidays.

AWARDING ENTITY

CONTRACTOR